

# ***In the House of Representatives, U. S.,***

*July 25, 2002.*

*Resolved*, That the House agree to the amendment of the Senate to the bill (H.R. 4546) entitled “An Act to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes”, with the following

## **HOUSE AMENDMENT TO SENATE AMENDMENT:**

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

1 ***SECTION 1. SHORT TITLE; FINDINGS.***

2       *(a) SHORT TITLE.—This Act may be cited as the “Bob*  
3 *Stump National Defense Authorization Act for Fiscal Year*  
4 *2003”.*

5       *(b) FINDINGS.—Congress makes the following findings:*

6               *(1) Representative Bob Stump of Arizona was*  
7 *elected to the House of Representatives in 1976 for*  
8 *service in the 95th Congress, after serving in the Ari-*  
9 *zona legislature for 18 years and serving as President*  
10 *of the Arizona State Senate from 1975 to 1976, and*  
11 *he has been reelected to each subsequent Congress.*

1           (2) *A World War II combat veteran, Representative*  
2           *Stump entered service in the United States Navy*  
3           *in 1943, just after his 16th birthday, and served*  
4           *aboard the USS LUNGA POINT and the USS*  
5           *TULAGI, which participated in the invasions of*  
6           *Luzon, Iwo Jima, and Okinawa.*

7           (3) *Representative Stump was elected to the*  
8           *Committee on Armed Services in 1978 and has served*  
9           *on nearly all of its subcommittees and panels during*  
10          *25 years of distinguished service on the committee. He*  
11          *has served as chairman of the committee during the*  
12          *107th Congress and has championed United States*  
13          *national security as the paramount function of the*  
14          *Federal Government.*

15          (4) *Also serving on the Committee on Veterans'*  
16          *Affairs of the House of Representatives, chairing that*  
17          *committee from 1995 to 2000, and serving on the Per-*  
18          *manent Select Committee on Intelligence of the House*  
19          *of Representatives, including service as the ranking*  
20          *minority member in 1985 and 1986, Representative*  
21          *Stump has dedicated his entire congressional career*  
22          *to steadfastly supporting America's courageous men*  
23          *and women in uniform both on and off the battlefield.*

24          (5) *Representative Stump's tireless efforts on be-*  
25          *half of those in the military and veterans have been*

1       *recognized with numerous awards for outstanding*  
2       *service from active duty and reserve military, vet-*  
3       *erans' service, military retiree, and industry organi-*  
4       *zations.*

5               *(6) During his tenure as chairman of the Com-*  
6       *mittee on Armed Services of the House of Representa-*  
7       *tives, Representative Stump has—*

8               *(A) overseen the largest sustained increase*  
9       *to defense spending since the Reagan adminis-*  
10       *tration;*

11              *(B) led efforts to improve the quality of*  
12       *military life, including passage of the largest*  
13       *military pay raise since 1982;*

14              *(C) supported military retirees, including*  
15       *efforts to reverse concurrent receipt law and to*  
16       *save the Armed Forces Retirement Homes;*

17              *(D) championed military readiness by de-*  
18       *fending military access to critical training fa-*  
19       *cilities such Vieques, Puerto Rico, expanding the*  
20       *National Training Center at Ft. Irwin, Cali-*  
21       *fornia, and working to restore balance between*  
22       *environmental concerns and military readiness*  
23       *requirements;*

24              *(E) reinvigorated efforts to defend America*  
25       *against ballistic missiles by supporting an in-*

crease in fiscal year 2002 of nearly 50 percent above the fiscal year 2001 level for missile defense programs; and

(F) honored America's war heroes by expanding Arlington National Cemetery, establishing a site for the Air Force Memorial, and assuring construction of the World War II Memorial.

(7) In recognition of his long record of accomplishments in enhancing the national security of the United States and his legislative victories on behalf of active duty service members, reservists, guardsmen, and veterans, it is altogether fitting and proper that this Act be named in honor of Representative Bob Stump of Arizona, as provided in subsection (a).

**SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.**

(a) *DIVISIONS*.—This Act is organized into three divisions as follows:

(1) *Division A—Department of Defense Authorizations.*

(2) *Division B—Military Construction Authorizations.*

(3) *Division C—Department of Energy National Security Authorizations and Other Authorizations.*

- 1       (b) *TABLE OF CONTENTS.—The table of contents for*  
 2 *this Act is as follows:*

*Sec. 1. Short title; findings.*  
*Sec. 2. Organization of Act into divisions; table of contents.*  
*Sec. 3. Congressional defense committees defined.*

***DIVISION A—DEPARTMENT OF DEFENSE  
AUTHORIZATIONS***

***TITLE I—PROCUREMENT***

***Subtitle A—Authorization of Appropriations***

*Sec. 101. Army.*  
*Sec. 102. Navy and Marine Corps.*  
*Sec. 103. Air Force.*  
*Sec. 104. Defense-wide activities.*  
*Sec. 105. Defense Inspector General.*  
*Sec. 106. Chemical demilitarization program.*  
*Sec. 107. Defense health programs.*

***Subtitle B—Navy Programs***

*Sec. 111. Shipbuilding initiative.*  
*Sec. 112. Prohibition on acquisition of Champion-class, T-5 fuel tankers.*

***Subtitle C—Air Force Programs***

*Sec. 121. Multiyear procurement authority for C-130J aircraft program.*  
*Sec. 122. Reallocation of certain funds for Air Force Reserve Command F-16 aircraft procurement.*

***Subtitle D—Other Programs***

*Sec. 141. Revisions to multiyear contracting authority.*  
*Sec. 142. Transfer of technology items and equipment in support of homeland security.*  
*Sec. 143. Destruction of existing stockpile of lethal chemical agents and munitions.*  
*Sec. 144. Report on unmanned aerial vehicle systems.*  
*Sec. 145. Report on impact of Army Aviation Modernization Plan on the Army National Guard.*

***TITLE II—RESEARCH, DEVELOPMENT, TEST, AND  
EVALUATION***

***Subtitle A—Authorization of Appropriations***

*Sec. 201. Authorization of appropriations.*  
*Sec. 202. Amount for defense science and technology.*

***Subtitle B—Program Requirements, Restrictions, and  
Limitations***

*Sec. 211. RAH-66 Comanche aircraft program.*

- Sec. 212. Extension of requirement relating to management responsibility for naval mine countermeasures programs.*
- Sec. 213. Extension of authority to carry out pilot program for revitalizing the laboratories and test and evaluation centers of the Department of Defense.*
- Sec. 214. Revised requirements for plan for Manufacturing Technology Program.*
- Sec. 215. Technology Transition Initiative.*
- Sec. 216. Defense Acquisition Challenge Program.*

### ***Subtitle C—Ballistic Missile Defense***

- Sec. 231. Limitation on obligation of funds for procurement of Patriot (PAC-3) missiles pending submission of required certification.*
- Sec. 232. Responsibility of Missile Defense Agency for research, development, test, and evaluation related to system improvements of programs transferred to military departments.*
- Sec. 233. Amendments to reflect change in name of Ballistic Missile Defense Organization to Missile Defense Agency.*

## **TITLE III—OPERATION AND MAINTENANCE**

### ***Subtitle A—Authorization of Appropriations***

- Sec. 301. Operation and maintenance funding.*
- Sec. 302. Working capital funds.*
- Sec. 303. Armed Forces Retirement Home.*

### ***Subtitle B—Environmental Provisions***

- Sec. 311. Incidental taking of migratory birds during military readiness activity.*
- Sec. 312. Military readiness and the conservation of protected species.*
- Sec. 313. Single point of contact for policy and budgeting issues regarding unexploded ordnance, discarded military munitions, and munitions constituents.*

### ***Subtitle C—Commissaries and Nonappropriated Fund Instrumentalities***

- Sec. 321. Authority for each military department to provide base operating support to fisher houses.*
- Sec. 322. Use of commissary stores and MWR retail facilities by members of National Guard serving in national emergency.*
- Sec. 323. Uniform funding and management of morale, welfare, and recreation programs.*

### ***Subtitle D—Workplace and Depot Issues***

- Sec. 331. Notification requirements in connection with required studies for conversion of commercial or industrial type functions to contractor performance.*
- Sec. 332. Waiver authority regarding prohibition on contracts for performance of security-guard functions.*
- Sec. 333. Exclusion of certain expenditures from percentage limitation on contracting for performance of depot-level maintenance and repair workloads.*
- Sec. 334. Repeal of obsolete provision regarding depot-level maintenance and repair workloads that were performed at closed or realigned military installations.*

*Sec. 335. Clarification of required core logistics capabilities.*

### ***Subtitle E—Defense Dependents Education***

*Sec. 341. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.*

*Sec. 342. Availability of quarters allowance for unaccompanied defense department teacher required to reside on overseas military installation.*

*Sec. 343. Provision of summer school programs for students who attend defense dependents' education system.*

### ***Subtitle F—Information Technology***

*Sec. 351. Authorized duration of base contract for Navy-Marine Corps Intranet.*

*Sec. 352. Annual submission of information on national security and information technology capital assets.*

*Sec. 353. Implementation of policy regarding certain commercial off-the-shelf information technology products.*

*Sec. 354. Installation and connection policy and procedures regarding Defense Switch Network.*

### ***Subtitle G—Other Matters***

*Sec. 361. Distribution of monthly reports on allocation of funds within operation and maintenance budget subactivities.*

*Sec. 362. Minimum deduction from pay of certain members of the Armed Forces to support Armed Forces Retirement Home.*

*Sec. 363. Condition on conversion of Defense Security Service to a working capital funded entity.*

*Sec. 364. Continuation of Arsenal support program initiative.*

*Sec. 365. Training range sustainment plan, Global Status of Resources and Training System, and training range inventory.*

*Sec. 366. Amendments to certain education and nutrition laws relating to acquisition and improvement of military housing.*

## ***TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS***

### ***Subtitle A—Active Forces***

*Sec. 401. End strengths for active forces.*

*Sec. 402. Revision in permanent end strength minimum levels.*

*Sec. 403. Authority for military department Secretaries to increase active-duty end strengths by up to 1 percent.*

*Sec. 404. General and flag officer management.*

*Sec. 405. Extension of certain authorities relating to management of numbers of general and flag officers in certain grades.*

### ***Subtitle B—Reserve Forces***

*Sec. 411. End strengths for Selected Reserve.*

*Sec. 412. End strengths for reserves on active duty in support of the Reserves.*

*Sec. 413. End strengths for military technicians (dual status).*

*Sec. 414. Fiscal year 2003 limitation on non-dual status technicians.*

### ***Subtitle C—Authorization of Appropriations***

*Sec. 421. Authorization of appropriations for military personnel.*

## **TITLE V—MILITARY PERSONNEL POLICY**

### **Subtitle A—General Personnel Management Authorities**

- Sec. 501. Increase in number of Deputy Commandants of the Marine Corps.*  
*Sec. 502. Extension of good-of-the-service waiver authority for officers appointed to a Reserve Chief or Guard Director position.*

### **Subtitle B—Reserve Component Management**

- Sec. 511. Reviews of National Guard strength accounting and management and other issues.*  
*Sec. 512. Courts-martial for the National Guard when not in Federal service.*  
*Sec. 513. Matching funds requirements under National Guard Youth Challenge Program.*

### **Subtitle C—Reserve Component Officer Personnel Policy**

- Sec. 521. Exemption from active status strength limitation for reserve component general and flag officers serving on active duty in certain joint duty assignments designated by the Chairman of the Joint Chiefs of Staff.*  
*Sec. 522. Eligibility for consideration for promotion to grade of major general for certain reserve component brigadier generals who do not otherwise qualify for consideration for promotion under the one-year rule.*  
*Sec. 523. Retention of promotion eligibility for reserve component general and flag officers transferred to an inactive status.*  
*Sec. 524. Authority for limited extension of medical deferment of mandatory retirement or separation for reserve officers.*

### **Subtitle D—Education and Training**

- Sec. 531. Authority for phased increase to 4,400 in authorized strengths for the service academies.*  
*Sec. 532. Enhancement of reserve component delayed training program.*  
*Sec. 533. Preparation for, participation in, and conduct of athletic competitions by the National Guard and members of the National Guard.*

### **Subtitle E—Decorations and Awards**

- Sec. 541. Waiver of time limitations for award of certain decorations to certain persons.*  
*Sec. 542. Option to convert award of Armed Forces Expeditionary Medal awarded for Operation Frequent Wind to Vietnam Service Medal.*

### **Subtitle F—Administrative Matters**

- Sec. 551. Staffing and funding for Defense Prisoner of War/Missing Personnel Office.*  
*Sec. 552. Three-year freeze on reductions of personnel of agencies responsible for review and correction of military records.*  
*Sec. 553. Department of Defense support for persons participating in military funeral honors details.*  
*Sec. 554. Authority for use of volunteers as proctors for administration of Armed Services Vocational Aptitude Battery test.*  
*Sec. 555. Annual report on status of female members of the Armed Forces.*



**Subtitle G—Benefits**

- Sec. 561. Voluntary leave sharing program for members of the Armed Forces.*  
*Sec. 562. Enhanced flexibility in medical loan repayment program.*  
*Sec. 563. Expansion of overseas tour extension benefits.*  
*Sec. 564. Vehicle storage in lieu of transportation when member is ordered to a nonforeign duty station outside continental United States.*

**Subtitle H—Military Justice Matters**

- Sec. 571. Right of convicted accused to request sentencing by military judge.*  
*Sec. 572. Report on desirability and feasibility of consolidating separate courses of basic instruction for judge advocates.*

**TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS**

**Subtitle A—Pay and Allowances**

- Sec. 601. Increase in basic pay for fiscal year 2003.*  
*Sec. 602. Expansion of basic allowance for housing low-cost or no-cost moves authority to members assigned to duty outside United States.*

**Subtitle B—Bonuses and Special and Incentive Pays**

- Sec. 611. One-year extension of certain bonus and special pay authorities for reserve forces.*  
*Sec. 612. One-year extension of certain bonus and special pay authorities for certain health care professionals.*  
*Sec. 613. One-year extension of special pay and bonus authorities for nuclear officers.*  
*Sec. 614. One-year extension of other bonus and special pay authorities.*  
*Sec. 615. Minimum levels of hardship duty pay for duty on the ground in Antarctica or on Arctic icepack.*  
*Sec. 616. Increase in maximum rates for prior service enlistment bonus.*  
*Sec. 617. Retention incentives for health care providers qualified in a critical military skill.*

**Subtitle C—Travel and Transportation Allowances**

- Sec. 631. Extension of leave travel deferral period for members performing consecutive overseas tours of duty.*

**Subtitle D—Retired Pay and Survivors Benefits**

- Sec. 641. Phase-in of full concurrent receipt of military retired pay and veterans disability compensation for military retirees with disabilities rated at 60 percent or higher.*  
*Sec. 642. Change in service requirements for eligibility for retired pay for non-regular service.*  
*Sec. 643. Elimination of possible inversion in retired pay cost-of-living adjustment for initial COLA computation.*  
*Sec. 644. Technical revisions to so-called “forgotten widows” annuity program.*

**Subtitle E—Reserve Component Montgomery GI Bill**

- Sec. 651. Extension of Montgomery GI Bill-Selected Reserve eligibility period.*

**Subtitle F—Other Matters**

*Sec. 661. Addition of definition of continental United States in title 37.*

**TITLE VII—HEALTH CARE MATTERS**

**Subtitle A—Health Care Program Improvements**

*Sec. 701. Elimination of requirement for TRICARE preauthorization of inpatient mental health care for medicare-eligible beneficiaries.*

*Sec. 702. Expansion of TRICARE Prime Remote for certain dependents.*

*Sec. 703. Enabling dependents of certain members who died while on active duty to enroll in the TRICARE dental program.*

*Sec. 704. Improvements regarding the Department of Defense Medicare-Eligible Retiree Health Care Fund.*

*Sec. 705. Certification of institutional and non-institutional providers under the TRICARE program.*

*Sec. 706. Technical correction regarding transitional health care.*

**Subtitle B—Reports**

*Sec. 711. Comptroller General report on TRICARE claims processing.*

*Sec. 712. Comptroller General report on provision of care under the TRICARE program.*

*Sec. 713. Repeal of report requirement.*

**Subtitle C—Department of Defense-Department of Veterans Affairs Health Resources Sharing**

*Sec. 721. Short title.*

*Sec. 722. Findings and sense of Congress concerning status of health resources sharing between the Department of Veterans Affairs and the Department of Defense.*

*Sec. 723. Revised coordination and sharing guidelines.*

*Sec. 724. Health care resources sharing and coordination project.*

*Sec. 725. Joint review of coordination and sharing of health care and related services following domestic acts of terrorism or domestic use of weapons of mass destruction.*

*Sec. 726. Adoption by Department of Veterans Affairs of Department of Defense Pharmacy Data Transaction System.*

*Sec. 727. Joint pilot program for providing graduate medical education and training for physicians.*

*Sec. 728. Repeal of certain limits on Department of Veterans Affairs resources.*

*Sec. 729. Reports.*

**TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS**

*Sec. 801. Plan for acquisition management professional exchange pilot program.*

*Sec. 802. Evaluation of training, knowledge, and resources regarding negotiation of intellectual property arrangements.*

*Sec. 803. Limitation period for task and delivery order contracts.*

*Sec. 804. One-year extension of program applying simplified procedures to certain commercial items; report.*

*Sec. 805. Authority to make inflation adjustments to simplified acquisition threshold.*

- Sec. 806. Improvement of personnel management policies and procedures applicable to the civilian acquisition workforce.*
- Sec. 807. Modification of scope of ball and roller bearings covered for purposes of procurement limitation.*
- Sec. 808. Rapid acquisition and deployment procedures.*
- Sec. 809. Quick-reaction special projects acquisition team.*
- Sec. 810. Report on development of anti-cyberterrorism technology.*
- Sec. 811. Contracting with Federal Prison Industries.*
- Sec. 812. Renewal of certain procurement technical assistance cooperative agreements at funding levels at least sufficient to support existing programs.*

## **TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT**

- Sec. 901. Change in title of Secretary of the Navy to Secretary of the Navy and Marine Corps.*
- Sec. 902. Report on implementation of United States Northern Command.*
- Sec. 903. National defense mission of Coast Guard to be included in future Quadrennial Defense Reviews.*
- Sec. 904. Change in year for submission of Quadrennial Defense Review.*
- Sec. 905. Report on effect of noncombat operations on combat readiness of the Armed Forces.*
- Sec. 906. Conforming amendment to reflect disestablishment of Department of Defense Consequence Management Program Integration Office.*
- Sec. 907. Authority to accept gifts for National Defense University.*

## **TITLE X—GENERAL PROVISIONS**

### **Subtitle A—Financial Matters**

- Sec. 1001. Transfer authority.*
- Sec. 1002. Authorization of supplemental appropriations for fiscal year 2002.*
- Sec. 1003. Uniform standards throughout Department of Defense for exposure of personnel to pecuniary liability for loss of Government property.*
- Sec. 1004. Accountable officials in the Department of Defense.*
- Sec. 1005. Improvements in purchase card management.*
- Sec. 1006. Authority to transfer funds within a major acquisition program from procurement to RDT&E.*
- Sec. 1007. Development and procurement of financial and nonfinancial management systems.*

### **Subtitle B—Reports**

- Sec. 1011. After-action reports on the conduct of military operations conducted as part of Operation Enduring Freedom.*
- Sec. 1012. Report on biological weapons defense and counter-proliferation.*
- Sec. 1013. Requirement that Department of Defense reports to Congress be accompanied by electronic version.*
- Sec. 1014. Strategic force structure plan for nuclear weapons and delivery systems.*
- Sec. 1015. Report on establishment of a joint national training complex and joint opposing forces.*
- Sec. 1016. Repeal of various reports required of the Department of Defense.*
- Sec. 1017. Report on the role of the Department of Defense in supporting homeland security.*

- Sec. 1018. Study of short-term and long-term effects of nuclear earth penetrator weapon.*
- Sec. 1019. Study of short-term and long-term effects of nuclear-tipped ballistic missile interceptor.*
- Sec. 1021. Sense of Congress on maintenance of a reliable, flexible, and robust strategic deterrent.*

### **Subtitle C—Other Matters**

- Sec. 1021. Sense of Congress on maintenance of a reliable, flexible, and robust strategic deterrent.*
- Sec. 1022. Time for transmittal of annual defense authorization legislative proposal.*
- Sec. 1023. Technical and clerical amendments.*
- Sec. 1024. War risk insurance for vessels in support of NATO-approved operations.*
- Sec. 1025. Conveyance, Navy drydock, Portland, Oregon.*
- Sec. 1026. Additional Weapons of Mass Destruction Civil Support Teams.*
- Sec. 1027. Use for law enforcement purposes of DNA samples maintained by Department of Defense for identification of human remains.*
- Sec. 1028. Sense of Congress concerning aircraft carrier force structure.*
- Sec. 1029. Enhanced authority to obtain foreign language services during periods of emergency.*
- Sec. 1030. Surface combatant industrial base.*
- Sec. 1031. Enhanced cooperation between United States and Russian Federation to promote mutual security.*
- Sec. 1032. Transfer of funds to increase amounts for PAC-3 missile procurement and Israeli Arrow Program.*
- Sec. 1033. Assignment of members to assist Immigration and Naturalization Service and Customs Service.*
- Sec. 1034. Sense of Congress on prohibition of use of funds for International Criminal Court.*

## **TITLE XI—CIVILIAN PERSONNEL MATTERS**

- Sec. 1101. Eligibility of Department of Defense nonappropriated fund employees for long-term care insurance.*
- Sec. 1102. Extension of Department of Defense authority to make lump-sum severance payments.*
- Sec. 1103. Common occupational and health standards for differential payments as a consequence of exposure to asbestos.*
- Sec. 1104. Continuation of Federal Employee Health Benefits program eligibility.*
- Sec. 1105. Triennial full-scale Federal wage system wage surveys.*
- Sec. 1106. Certification for Department of Defense professional accounting positions.*

## **TITLE XII—MATTERS RELATING TO OTHER NATIONS**

- Sec. 1201. Support of United Nations-sponsored efforts to inspect and monitor Iraqi weapons activities.*
- Sec. 1202. Strengthening the defense of Taiwan.*
- Sec. 1203. Administrative services and support for foreign liaison officers.*
- Sec. 1204. Additional countries covered by loan guarantee program.*
- Sec. 1205. Limitation on funding for Joint Data Exchange Center in Moscow.*
- Sec. 1206. Limitation on number of military personnel in Colombia.*

**TITLE XIII—COOPERATIVE THREAT REDUCTION WITH  
STATES OF THE FORMER SOVIET UNION**

- Sec. 1301. Specification of Cooperative Threat Reduction programs and funds.*  
*Sec. 1302. Funding allocations.*  
*Sec. 1303. Prohibition against use of funds until submission of reports.*  
*Sec. 1304. Report on use of revenue generated by activities carried out under Cooperative Threat Reduction programs.*  
*Sec. 1305. Prohibition against use of funds for second wing of fissile material storage facility.*  
*Sec. 1306. Sense of Congress and report requirement regarding Russian proliferation to Iran.*  
*Sec. 1307. Prohibition against use of Cooperative Threat Reduction funds outside the States of the former Soviet Union.*  
*Sec. 1308. Limited waiver of restriction on use of funds.*  
*Sec. 1309. Limitation on use of funds until submission of report on defense and military contacts activities.*

**TITLE XIV—UTAH TEST AND TRAINING RANGE**

- Sec. 1401. Definition of Utah Test and Training Range.*  
*Sec. 1402. Military operations and overflights at Utah Test and Training Range.*  
*Sec. 1403. Designation and management of lands in Utah Test and Training Range.*  
*Sec. 1404. Designation of Pilot Range Wilderness.*  
*Sec. 1405. Designation of Cedar Mountain Wilderness.*

**TITLE XV—COST OF WAR AGAINST TERRORISM  
AUTHORIZATION**

- Sec. 1501. Short title.*  
*Sec. 1502. Amounts authorized for the War on Terrorism.*  
*Sec. 1503. Additional authorizations.*

**Subtitle A—Authorization of Appropriations**

*PART I—AUTHORIZATIONS TO TRANSFER ACCOUNTS*

- Sec. 1511. War on Terrorism Operations Fund.*  
*Sec. 1512. War on Terrorism Equipment Replacement and Enhancement Fund.*  
*Sec. 1513. General provisions applicable to transfers.*

*PART II—AUTHORIZATIONS TO SPECIFIED ACCOUNTS*

- Sec. 1521. Army procurement.*  
*Sec. 1522. Navy and Marine Corps procurement.*  
*Sec. 1523. Air Force procurement.*  
*Sec. 1524. Defense-wide activities procurement.*  
*Sec. 1525. Research, development, test, and evaluation, defense-wide.*  
*Sec. 1526. Classified activities.*  
*Sec. 1527. Global Information Grid system.*  
*Sec. 1528. Operation and maintenance.*  
*Sec. 1529. Military personnel.*

*PART III—MILITARY CONSTRUCTION AUTHORIZATIONS*

- Sec. 1531. Authorized military construction and land acquisition projects.*

**Subtitle B—Wartime Pay and Allowance Increases**

- Sec. 1541. Increase in rate for family separation allowance.*  
*Sec. 1542. Increase in rates for various hazardous duty incentive pays.*  
*Sec. 1543. Increase in rate for diving duty special pay.*  
*Sec. 1544. Increase in rate for imminent danger pay.*  
*Sec. 1545. Increase in rate for career enlisted flyer incentive pay.*  
*Sec. 1546. Increase in amount of death gratuity.*  
*Sec. 1547. Effective date.*

**Subtitle C—Additional Provisions**

- Sec. 1551. Establishment of at least one Weapons of Mass Destruction Civil Support Team in each State.*  
*Sec. 1552. Authority for joint task forces to provide support to law enforcement agencies conducting counter-terrorism activities.*  
*Sec. 1553. Sense of Congress on assistance to first responders.*

**DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS**

- Sec. 2001. Short title; definition.*

**TITLE XXI—ARMY**

- Sec. 2101. Authorized Army construction and land acquisition projects.*  
*Sec. 2102. Family housing.*  
*Sec. 2103. Improvements to military family housing units.*  
*Sec. 2104. Authorization of appropriations, Army.*  
*Sec. 2105. Modification of authority to carry out certain fiscal year 2002 projects.*

**TITLE XXII—NAVY**

- Sec. 2201. Authorized Navy construction and land acquisition projects.*  
*Sec. 2202. Family housing.*  
*Sec. 2203. Improvements to military family housing units.*  
*Sec. 2204. Authorization of appropriations, Navy.*  
*Sec. 2205. Modification of authority to carry out certain fiscal year 2002 project.*

**TITLE XXIII—AIR FORCE**

- Sec. 2301. Authorized Air Force construction and land acquisition projects.*  
*Sec. 2302. Family housing.*  
*Sec. 2303. Improvements to military family housing units.*  
*Sec. 2304. Authorization of appropriations, Air Force.*

**TITLE XXIV—DEFENSE AGENCIES**

- Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.*  
*Sec. 2402. Improvements to military family housing units.*  
*Sec. 2403. Energy conservation projects.*  
*Sec. 2404. Authorization of appropriations, Defense Agencies.*  
*Sec. 2405. Modification of authority to carry out certain fiscal year 2000 project.*  
*Sec. 2406. Modification of authority to carry out certain fiscal year 1999 project.*  
*Sec. 2407. Modification of authority to carry out certain fiscal year 1997 project.*

**TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION  
SECURITY INVESTMENT PROGRAM**

*Sec. 2501. Authorized NATO construction and land acquisition projects.*

*Sec. 2502. Authorization of appropriations, NATO.*

**TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES**

*Sec. 2601. Authorized guard and reserve construction and land acquisition projects.*

**TITLE XXVII—EXPIRATION AND EXTENSION OF  
AUTHORIZATIONS**

*Sec. 2701. Expiration of authorizations and amounts required to be specified by law.*

*Sec. 2702. Extension of authorizations of certain fiscal year 2000 projects.*

*Sec. 2703. Extension of authorizations of certain fiscal year 1999 projects.*

*Sec. 2704. Effective date.*

**TITLE XXVIII—GENERAL PROVISIONS**

**Subtitle A—Military Construction Program and Military  
Family Housing Changes**

*Sec. 2801. Changes to alternative authority for acquisition and improvement of military housing.*

*Sec. 2802. Modification of authority to carry out construction projects as part of environmental response action.*

*Sec. 2803. Leasing of military family housing in Korea.*

*Sec. 2804. Pilot housing privatization authority for acquisition or construction of military unaccompanied housing.*

**Subtitle B—Real Property and Facilities Administration**

*Sec. 2811. Agreements with private entities to limit encroachments and other constraints on military training, testing, and operations.*

*Sec. 2812. Conveyance of surplus real property for natural resource conservation purposes.*

*Sec. 2813. National emergency exemption from screening and other requirements of McKinney-Vento Homeless Assistance Act for property used in support of response activities.*

*Sec. 2814. Demonstration program on reduction in long-term facility maintenance costs.*

*Sec. 2815. Expanded authority to transfer property at military installations to be closed to persons who construct or provide military family housing.*

**Subtitle C—Land Conveyances**

**PART I—ARMY CONVEYANCES**

*Sec. 2821. Land conveyances, lands in Alaska no longer required for National Guard purposes.*

*Sec. 2822. Land conveyance, Fort Campbell, Kentucky.*

*Sec. 2823. Land conveyance, Army Reserve Training Center, Buffalo, Minnesota.*

*Sec. 2824. Land conveyance, Fort Bliss, Texas*

*Sec. 2825. Land conveyance, Fort Hood, Texas.*

*Sec. 2826. Land conveyance, Fort Monmouth, New Jersey.*

**PART II—NAVY CONVEYANCES**

*Sec. 2831. Land conveyance, Marine Corps Air Station, Miramar, San Diego, California.*

*Sec. 2832. Boundary adjustments, Marine Corps Base, Quantico, and Prince William Forest Park, Virginia.*

**PART III—AIR FORCE CONVEYANCES**

*Sec. 2841. Land conveyances, Wendover Air Force Base Auxiliary Field, Nevada.*

**Subtitle D—Other Matters**

*Sec. 2861. Easement for construction of roads or highways, Marine Corps Base, Camp Pendleton, California.*

*Sec. 2862. Sale of excess treated water and wastewater treatment capacity, Marine Corps Base, Camp Lejeune, North Carolina.*

*Sec. 2863. Ratification of agreement regarding Adak Naval Complex, Alaska, and related land conveyances.*

*Sec. 2864. Special requirements for adding military installation to closure list.*

**DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS**

**TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS**

**Subtitle A—National Security Programs Authorizations**

*Sec. 3101. National Nuclear Security Administration.*

*Sec. 3102. Environmental and other defense activities.*

**Subtitle B—Department of Energy National Security Authorizations General Provisions**

*Sec. 3120. Short title; definitions.*

*Sec. 3121. Reprogramming.*

*Sec. 3122. Minor construction projects.*

*Sec. 3123. Limits on construction projects.*

*Sec. 3124. Fund transfer authority.*

*Sec. 3125. Authority for conceptual and construction design.*

*Sec. 3126. Authority for emergency planning, design, and construction activities.*

*Sec. 3127. Funds available for all national security programs of the Department of Energy.*

*Sec. 3128. Availability of funds.*

*Sec. 3129. Transfer of defense environmental management funds.*

*Sec. 3130. Transfer of weapons activities funds.*

*Sec. 3131. Scope of authority to carry out plant projects.*

**Subtitle C—Program Authorizations, Restrictions, and Limitations**

*Sec. 3141. One-year extension of panel to assess the reliability, safety, and security of the United States nuclear stockpile.*



- Sec. 3142. Transfer to National Nuclear Security Administration of Department of Defense's Cooperative Threat Reduction program relating to elimination of weapons grade plutonium in Russia.*
- Sec. 3143. Repeal of requirement for reports on obligation of funds for programs on fissile materials in Russia.*
- Sec. 3144. Annual certification to the President and Congress on the condition of the United States nuclear weapons stockpile.*
- Sec. 3145. Plan for achieving one-year readiness posture for resumption by the United States of underground nuclear weapons tests.*
- Sec. 3146. Prohibition on development of low-yield nuclear weapons.*

***Subtitle D—Matters Relating to Defense Environmental Management***

- Sec. 3151. Defense environmental management cleanup reform program.*
- Sec. 3152. Report on status of environmental management initiatives to accelerate the reduction of environmental risks and challenges posed by the legacy of the Cold War.*

***TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD***

- Sec. 3201. Authorization.*

***TITLE XXXIII—NATIONAL DEFENSE STOCKPILE***

- Sec. 3301. Authorized uses of National Defense Stockpile funds.*

***TITLE XXXIV—NAVAL PETROLEUM RESERVES***

- Sec. 3401. Authorization of appropriations.*

***TITLE XXXV—MARITIME ADMINISTRATION***

- Sec. 3501. Authorization of appropriations for fiscal year 2003.*
- Sec. 3502. Authority to convey vessel USS SPHINX (ARL-24).*
- Sec. 3503. Financial assistance to States for preparation of transferred obsolete ships for use as artificial reefs.*
- Sec. 3504. Independent analysis of title XI insurance guarantee applications.*

**1 SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.**

2       *For purposes of this Act, the term “congressional de-*  
 3 *fense committees” means—*

4               *(1) the Committee on Armed Services and the*  
 5 *Committee on Appropriations of the Senate; and*

6               *(2) the Committee on Armed Services and the*  
 7 *Committee on Appropriations of the House of Rep-*  
 8 *resentatives.*

***DIVISION A—DEPARTMENT OF  
DEFENSE AUTHORIZATIONS  
TITLE I—PROCUREMENT  
Subtitle A—Authorization of  
Appropriations***

***SEC. 101. ARMY.***

*Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Army as follows:*

*(1) For aircraft, \$2,300,327,000.*

*(2) For missiles, \$1,693,896,000.*

*(3) For weapons and tracked combat vehicles,  
\$2,372,958,000.*

*(4) For ammunition, \$1,320,026,000.*

*(5) For other procurement, \$6,119,447,000.*

***SEC. 102. NAVY AND MARINE CORPS.***

*(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2003 for procurement for the Navy as follows:*

*(1) For aircraft, \$8,971,555,000.*

*(2) For weapons, including missiles and torpedoes, \$1,916,617,000.*

*(3) For shipbuilding and conversion,  
\$9,279,494,000.*

*(4) For other procurement, \$4,527,763,000.*

1       (b) *MARINE CORPS.*—*Funds are hereby authorized to*  
 2 *be appropriated for fiscal year 2003 for procurement for*  
 3 *the Marine Corps in the amount of \$1,351,983,000.*

4       (c) *NAVY AND MARINE CORPS AMMUNITION.*—*Funds*  
 5 *are hereby authorized to be appropriated for fiscal year*  
 6 *2003 for procurement of ammunition for the Navy and the*  
 7 *Marine Corps in the amount of \$1,104,453,000.*

8       **SEC. 103. AIR FORCE.**

9       *Funds are hereby authorized to be appropriated for fis-*  
 10 *cal year 2003 for procurement for the Air Force as follows:*

11               (1) *For aircraft, \$12,522,755,000.*

12               (2) *For missiles, \$3,482,639,000.*

13               (3) *For ammunition, \$1,176,864,000.*

14               (4) *For other procurement, \$10,907,730,000.*

15       **SEC. 104. DEFENSE-WIDE ACTIVITIES.**

16       *Funds are hereby authorized to be appropriated for fis-*  
 17 *cal year 2003 for Defense-wide procurement in the amount*  
 18 *of \$2,621,009,000.*

19       **SEC. 105. DEFENSE INSPECTOR GENERAL.**

20       *Funds are hereby authorized to be appropriated for fis-*  
 21 *cal year 2003 for procurement for the Inspector General of*  
 22 *the Department of Defense in the amount of \$2,000,000.*

23       **SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.**

24       *There is hereby authorized to be appropriated for fiscal*  
 25 *year 2003 the amount of \$1,490,199,000 for—*

1           (1) *the destruction of lethal chemical agents and*  
 2           *munitions in accordance with section 1412 of the De-*  
 3           *partment of Defense Authorization Act, 1986 (50*  
 4           *U.S.C. 1521); and*

5           (2) *the destruction of chemical warfare materiel*  
 6           *of the United States that is not covered by section*  
 7           *1412 of such Act.*

8   **SEC. 107. DEFENSE HEALTH PROGRAMS.**

9           *Funds are hereby authorized to be appropriated for fis-*  
 10          *cal year 2003 for the Department of Defense for procure-*  
 11          *ment for carrying out health care programs, projects, and*  
 12          *activities of the Department of Defense in the total amount*  
 13          *of \$278,742,000.*

14   **SEC. 111. SHIPBUILDING INITIATIVE.**

15          (a) *USE OF SPECIFIED SHIPBUILDING AUTHORIZA-*  
 16          *TION AMOUNT SUBJECT TO CONTRACTOR AGREEMENT.—Of*  
 17          *the amounts authorized to be appropriated by section*  
 18          *102(a)(3) for fiscal year 2003, \$810,000,000 shall be avail-*  
 19          *able for shipbuilding programs of the Navy either in accord-*  
 20          *ance with subsection (b) or in accordance with subsection*  
 21          *(c).*

22          (b) *DDG-51 AUTHORIZATION IF AGREEMENT*  
 23          *REACHED.—If as of the date of the enactment of this Act*  
 24          *the Secretary of the Navy has submitted to Congress a cer-*  
 25          *tification described in subsection (d), then the amount re-*

1 *ferred to in subsection (a) shall be available for procurement*  
2 *of one Arleigh Burke class (DDG-51) destroyer.*

3 *(c) AUTHORIZATION IF AGREEMENT NOT REACHED.—*  
4 *If as of the date of the enactment of this Act the Secretary*  
5 *of the Navy has not submitted to Congress a certification*  
6 *described in subsection (d), then the amount referred to in*  
7 *subsection (a) shall be available as follows:*

8 *(1) \$415,000,000 shall be available for advance*  
9 *procurement for Virginia class submarines.*

10 *(2) \$210,000,000 shall be available for advance*  
11 *procurement for cruiser conversion.*

12 *(3) \$185,000,000 shall be available for nuclear-*  
13 *powered submarine (SSN) engineered refueling over-*  
14 *haul.*

15 *(d) CERTIFICATION.—A certification referred to in*  
16 *subsections (b) and (c) is a certification by the Secretary*  
17 *of the Navy that the prime contractor for the Virginia class*  
18 *submarine program has entered into a binding agreement*  
19 *with the United States to expend from its own funds an*  
20 *amount not less than \$385,000,000 for economic order*  
21 *quantity procurement of nuclear and nonnuclear compo-*  
22 *nents for Virginia class submarines beginning in fiscal year*  
23 *2003.*

24 *(e) MULTIYEAR PROCUREMENT AUTHORITY.—(1) If*  
25 *the terms of an agreement described in subsection (d) be-*

1 *tween the United States and the prime contractor for the*  
 2 *Virginia class submarine program include a requirement*  
 3 *for the Secretary of the Navy to seek to acquire Virginia*  
 4 *class submarines through a multiyear procurement con-*  
 5 *tract, the Secretary of the Navy may, in accordance with*  
 6 *section 2306b of title 10, United States Code, enter into a*  
 7 *multiyear contract for procurement of Virginia class sub-*  
 8 *marines, beginning with the fiscal year 2003 program year.*

9       (2)(A) *In the case of a contract authorized by para-*  
 10 *graph (1), a certification under subsection (i)(1)(A) of sec-*  
 11 *tion 2306b of title 10, United States Code, with respect to*  
 12 *that contract may only be submitted if the certification in-*  
 13 *cludes an additional certification that each of the conditions*  
 14 *specified in subsection (a) of that section has been satisfied*  
 15 *with respect to that contract.*

16       (B) *Upon transmission to Congress of a certification*  
 17 *referred to in subparagraph (A) with respect to a contract*  
 18 *authorized by paragraph (1), the contract may then be en-*  
 19 *tered into only after a period of 30 days has elapsed after*  
 20 *the date of the transmission of such certification.*

21 **SEC. 112. PROHIBITION ON ACQUISITION OF CHAMPION-**  
 22 **CLASS, T-5 FUEL TANKERS.**

23       (a) *PROHIBITION.—Except as provided in subsection*  
 24 *(b), a Champion-class fuel tanker, known as a T-5, which*  
 25 *features a double hull and reinforcement against ice dam-*

1 age, may not be acquired for the Military Sealift Command  
2 or for other Navy purposes.

3 (b) *TERMINATION.*—The prohibition in sub-  
4 section (a) shall not apply if the acquisition of a T-  
5 5 tanker is specifically authorized in a defense au-  
6 thorization Act that—

7 (1) is enacted after the date of the enactment of  
8 this Act;

9 (2) specifically refers to subsection (a); and

10 (3) specifically states that the prohibition in  
11 such subsection does not apply.

## 12 ***Subtitle C—Air Force Programs***

### 13 ***SEC. 121. MULTIYEAR PROCUREMENT AUTHORITY FOR*** 14 ***C-130J AIRCRAFT PROGRAM.***

15 (a) *MULTIYEAR AUTHORITY.*—Beginning with the fis-  
16 cal year 2003 program year, the Secretary of the Air Force  
17 may, in accordance with section 2306b of title 10, United  
18 States Code, enter into a multiyear contract for procure-  
19 ment of C-130J aircraft.

20 (b) *LIMITATION.*—The Secretary of Defense may not  
21 enter into a contract authorized by subsection (a) until—

22 (1) the Secretary submits to the congressional de-  
23 fense committees a certification described in sub-  
24 section (c); and

1           (2) *a period of 30 days has expired after such*  
2       *certification is submitted.*

3       (c) *REQUIRED CERTIFICATION AS TO PROGRESS TO-*  
4       *WARD SUCCESSFUL OPERATIONAL TEST AND EVALUA-*  
5       *TION.—A certification under subsection (b)(1) is a certifi-*  
6       *cation by the Secretary of Defense that the C-130J program*  
7       *is making satisfactory progress towards a successful oper-*  
8       *ational test and evaluation.*

9       (d) *REQUIRED CERTIFICATION WITH RESPECT TO*  
10      *MULTIYEAR CONTRACTING CONDITIONS.—(1) In the case of*  
11      *a contract authorized by subsection (a) of this section, a*  
12      *certification under subsection (i)(1)(A) of section 2306b of*  
13      *title 10, United States Code, with respect to that contract*  
14      *may only be submitted if the certification includes an addi-*  
15      *tional certification that each of the conditions specified in*  
16      *subsection (a) of that section has been satisfied with respect*  
17      *to that contract.*

18      (2) *Upon transmission to Congress of a certification*  
19      *referred to in paragraph (1) with respect to a contract au-*  
20      *thorized by subsection (a), the contract may then be entered*  
21      *into only after a period of 30 days has elapsed after the*  
22      *date of the transmission of such certification.*



1 **SEC. 122. REALLOCATION OF CERTAIN FUNDS FOR AIR**  
 2 **FORCE RESERVE COMMAND F-16 AIRCRAFT**  
 3 **PROCUREMENT.**

4 *Of the funds authorized to be appropriated by section*  
 5 *103(1) that are available for procurement of F-16 aircraft*  
 6 *for the Air Force Reserve Command, \$14,400,000 shall be*  
 7 *available for 36 Litening II modernization upgrade kits for*  
 8 *the F-16 block 25 and block 30 aircraft (rather than for*  
 9 *Litening AT pods for such aircraft).*

10 ***Subtitle D—Other Programs***

11 **SEC. 141. REVISIONS TO MULTIYEAR CONTRACTING AU-**  
 12 **THORITY.**

13 *(a) USE OF PROCUREMENT AND ADVANCE PROCURE-*  
 14 *MENT FUNDS.—Section 2306b(i) of title 10, United States*  
 15 *Code, is amended by adding at the end the following new*  
 16 *paragraph:*

17 *“(4)(A) Unless otherwise authorized by law, the Sec-*  
 18 *retary of Defense may obligate funds for procurement of an*  
 19 *end item under a multiyear contract for the purchase of*  
 20 *property only for procurement of a complete and usable end*  
 21 *item.*

22 *“(B) Unless otherwise authorized by law, the Secretary*  
 23 *of Defense may obligate funds appropriated for any fiscal*  
 24 *year for advance procurement under a multiyear contract*  
 25 *for the purchase of property only for the procurement of*  
 26 *those long-lead items necessary in order to meet a planned*

1 *delivery schedule for complete major end items that are pro-*  
 2 *grammed under the contract to be acquired with funds ap-*  
 3 *propriated for a subsequent fiscal year.”.*

4 (b) *EFFECTIVE DATE.*—Paragraph (4) of section  
 5 2306b(i) of title 10, United States Code, as added by sub-  
 6 section (a), shall not apply with respect to any multiyear  
 7 contract authorized by law before the date of the enactment  
 8 of this Act.

9 **SEC. 142. TRANSFER OF TECHNOLOGY ITEMS AND EQUIP-**  
 10 **MENT IN SUPPORT OF HOMELAND SECURITY.**

11 (a) *IN GENERAL.*—Subchapter III of chapter 148 of  
 12 title 10, United States Code, is amended by adding at the  
 13 end the following new section:

14 **“§2520. Transfer of technology items and equipment**  
 15 **in support of homeland security**

16 “The Secretary of Defense shall enter into an agree-  
 17 ment with an independent, nonprofit, technology-oriented  
 18 entity that has demonstrated the ability to facilitate the  
 19 transfer of defense technologies, developed by both the pri-  
 20 vate and public sectors, to aid Federal, State, and local first  
 21 responders. Under the agreement the entity shall develop  
 22 and deploy technology items and equipment, through co-  
 23 ordination between Government agencies and private sector,  
 24 commercial developers and suppliers of technology, that will  
 25 enhance public safety and shall—

1           “(1) work in coordination with the InterAgency  
2       *Board for Equipment Standardization and Interoper-*  
3       *ability;*

4           “(2) develop technology items and equipment  
5       *that meet the standardization requirements estab-*  
6       *lished by the Board;*

7           “(3) evaluate technology items and equipment  
8       *that have been identified using the standards devel-*  
9       *oped by the Board and other state-of-the-art tech-*  
10       *nology items and equipment that may benefit first re-*  
11       *sponders;*

12           “(4) identify and coordinate among the public  
13       *and private sectors research efforts applicable to na-*  
14       *tional security and homeland security;*

15           “(5) facilitate the timely transfer of technology  
16       *items and equipment between public and private*  
17       *sources;*

18           “(6) eliminate redundant research efforts with  
19       *respect to technologies to be deployed to first respond-*  
20       *ers;*

21           “(7) expedite the advancement of high priority  
22       *projects from research through implementation of ini-*  
23       *tial manufacturing; and*

24           “(8) establish an outreach program, in coordina-  
25       *tion with the Board, with first responders to facilitate*

1        *awareness of available technology items and equip-*  
2        *ment to support crisis response.”.*

3        (b) *DEADLINE FOR AGREEMENT.*—*The Secretary of*  
4        *Defense shall enter into the agreement required by section*  
5        *2520 of title 10, United States Code (as added by subsection*  
6        *(a)) not later than January 15, 2003.*

7        (c) *STRATEGIC PLAN.*—*The entity described in section*  
8        *2520 of such title shall develop a strategic plan to carry*  
9        *out the goals described in such section, which shall include*  
10       *identification of—*

11                (1) *the initial technology items and equipment*  
12                *considered for development; and*

13                (2) *the program schedule timelines for such tech-*  
14                *nology items and equipment.*

15        (d) *REPORT REQUIRED.*—*Not later than March 15,*  
16        *2003, the Secretary of Defense shall submit to the Commit-*  
17        *tees on Armed Services of the Senate and the House of Rep-*  
18        *resentatives a report on—*

19                (1) *the actions taken to carry out such section*  
20                *2520;*

21                (2) *the relationship of the entity described in*  
22                *such section to the InterAgency Board for Equipment*  
23                *Standardization and Interoperability; and*

24                (3) *the strategic plan of such entity to meet the*  
25                *goals described in such section.*

1       (e) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of subchapter III of chapter 148 of title 10,*  
 3 *United States Code, is amended by adding at the end the*  
 4 *following new item:*

*“2520. Transfer of technology items and equipment in support of homeland security.”.*

5   **SEC. 143. DESTRUCTION OF EXISTING STOCKPILE OF LE-**  
 6                           **THAL CHEMICAL AGENTS AND MUNITIONS.**

7       (a) *PROGRAM MANAGEMENT.*—*The Secretary of De-*  
 8 *fense shall ensure that the program for destruction of the*  
 9 *United States stockpile of lethal chemical agents and muni-*  
 10 *tions is managed as a major defense acquisition program*  
 11 *(as defined in section 2430 of title 10, United States Code)*  
 12 *in accordance with the essential elements of such programs*  
 13 *as may be determined by the Secretary.*

14       (b) *REQUIREMENT FOR UNDER SECRETARY OF DE-*  
 15 *FENSE (COMPTROLLER) ANNUAL CERTIFICATION.*—*Begin-*  
 16 *ning with respect to the budget request for fiscal year 2004,*  
 17 *the Under Secretary of Defense (Comptroller) shall submit*  
 18 *to the congressional defense committees on an annual basis*  
 19 *a certification that the budget request for the chemical*  
 20 *agents and munitions destruction program has been sub-*  
 21 *mitted in accordance with the requirements of applicable*  
 22 *Federal laws.*

1 **SEC. 144. REPORT ON UNMANNED AERIAL VEHICLE SYS-**  
 2 **TEMS.**

3 (a) *REPORT*.—Not later than January 1, 2003, the  
 4 Secretary of Defense shall submit to Congress a report on  
 5 unmanned aerial vehicle systems of the Department of De-  
 6 fense.

7 (b) *MATTERS TO BE INCLUDED CONCERNING UN-*  
 8 *MANNED AERIAL VEHICLE SYSTEMS*.—The Secretary shall  
 9 include in the report under subsection (a) the following,  
 10 shown for each system referred to in that subsection:

11 (1) *A description of the infrastructure that the*  
 12 *Department of Defense has (or is planning) for the*  
 13 *system.*

14 (2) *A description of the operational requirements*  
 15 *document (ORD) for the system.*

16 (3) *A description of the physical infrastructure*  
 17 *of the Department for training and basing.*

18 (4) *A description of the manner in which the De-*  
 19 *partment is interfacing with the industrial base.*

20 (5) *A description of the acquisition plan for the*  
 21 *system.*

22 (c) *SUGGESTIONS FOR CHANGES IN LAW*.—The Sec-  
 23 retary shall also include in the report under subsection (a)  
 24 such suggestions as the Secretary considers appropriate for  
 25 changes in law that would facilitate the way the Depart-  
 26 ment acquires unmanned aerial vehicle systems.

1 **SEC. 145. REPORT ON IMPACT OF ARMY AVIATION MOD-**  
 2 **ERNIZATION PLAN ON THE ARMY NATIONAL**  
 3 **GUARD.**

4 (a) *REPORT BY CHIEF OF THE NATIONAL GUARD BU-*  
 5 *REAU.—Not later than February 1, 2003, the Chief of the*  
 6 *National Guard Bureau shall submit to the Committees on*  
 7 *Armed Services of the Senate and the House of Representa-*  
 8 *tives a report on the requirements for Army National*  
 9 *Guard aviation. The report shall include the following:*

10 (1) *An analysis of the impact of the Army Avia-*  
 11 *tion Modernization Plan on the ability of the Army*  
 12 *National Guard to conduct its aviation missions.*

13 (2) *The plan under that aviation modernization*  
 14 *plan for the transfer of aircraft from the active com-*  
 15 *ponent of the Army to the Army reserve components,*  
 16 *including a timeline for those transfers.*

17 (3) *The progress, as of January 1, 2003, in car-*  
 18 *rying out the transfers under the plan referred to in*  
 19 *paragraph (2).*

20 (4) *An evaluation of the suitability of existing*  
 21 *Commercial Off The Shelf (COTS) light-twin engine*  
 22 *helicopters for performance of Army National Guard*  
 23 *aviation missions.*

24 (b) *VIEWS OF THE CHIEF OF STAFF OF THE ARMY.—*  
 25 *If, before the report under subsection (a) is submitted, the*  
 26 *Chief of the National Guard Bureau receives from the Chief*

1 *of Staff of the Army the views of the Chief of Staff on the*  
 2 *matters to be covered in the report, the Chief of the Bureau*  
 3 *shall include those views with the report as submitted under*  
 4 *subsection (a).*

5 ***TITLE II—RESEARCH, DEVELOP-***  
 6 ***MENT, TEST, AND EVALUA-***  
 7 ***TION***

8 ***Subtitle A—Authorization of***  
 9 ***Appropriations***

10 ***SEC. 201. AUTHORIZATION OF APPROPRIATIONS.***

11 *Funds are hereby authorized to be appropriated for fis-*  
 12 *cal year 2003 for the use of the Department of Defense for*  
 13 *research, development, test, and evaluation as follows:*

14 *(1) For the Army, \$6,933,319,000.*

15 *(2) For the Navy, \$13,274,540,000.*

16 *(3) For the Air Force, \$18,803,184,000.*

17 *(4) For Defense-wide activities, \$17,413,291,000,*  
 18 *of which \$222,054,000 is authorized for the Director*  
 19 *of Operational Test and Evaluation.*

20 ***SEC. 202. AMOUNT FOR DEFENSE SCIENCE AND TECH-***  
 21 ***NOLOGY.***

22 *(a) FISCAL YEAR 2003.—Of the amounts authorized*  
 23 *to be appropriated by section 201, \$10,023,658,000 shall be*  
 24 *available for the Defense Science and Technology Program,*



1 *including basic research, applied research, and advanced*  
 2 *technology development projects.*

3 (b) *BASIC RESEARCH, APPLIED RESEARCH, AND AD-*  
 4 *VANCED TECHNOLOGY DEVELOPMENT DEFINED.*—For pur-  
 5 *poses of this section, the term “basic research, applied re-*  
 6 *search, and advanced technology development” means work*  
 7 *funded in program elements for defense research and devel-*  
 8 *opment under Department of Defense category 6.1, 6.2, or*  
 9 *6.3.*

## 10 ***Subtitle B—Program Requirements,*** 11 ***Restrictions, and Limitations***

### 12 ***SEC. 211. RAH-66 COMANCHE AIRCRAFT PROGRAM.***

13 (a) *LIMITATION.*—None of the funds authorized to be  
 14 appropriated for fiscal year 2003 for engineering and man-  
 15 ufacturing development for the RAH-66 Comanche aircraft  
 16 program may be obligated until the Secretary of the Army  
 17 submits to the congressional defense committees a report,  
 18 prepared in coordination with the Under Secretary of De-  
 19 fense for Acquisition, Technology, and Logistics, containing  
 20 an accurate estimate of funds required to complete engineer-  
 21 ing and manufacturing development for that aircraft and  
 22 the new time line and plan for bringing that aircraft to  
 23 initial operational capability, as called for in the joint ex-  
 24 planatory statement of the committee of conference on the  
 25 bill S. 1438 of the One Hundred Seventh Congress (at page

1 535 of House Report 107–333, submitted December 12,  
2 2001).

3 (b) *LIMITATION ON TOTAL COST OF ENGINEERING AND*  
4 *MANUFACTURING DEVELOPMENT.*—*The total amount obli-*  
5 *gated or expended for engineering and manufacturing de-*  
6 *velopment under the RAH–66 Comanche aircraft program*  
7 *may not exceed \$6,000,000,000.*

8 (c) *ADJUSTMENT OF LIMITATION AMOUNTS.*—(1) *Sub-*  
9 *ject to paragraph (2), the Secretary of the Army shall adjust*  
10 *the amount of the limitation set forth in subsection (b) by*  
11 *the following amounts:*

12 (A) *The amounts of increases or decreases in*  
13 *costs attributable to economic inflation after Sep-*  
14 *tember 30, 2002.*

15 (B) *The amounts of increases or decreases in*  
16 *costs attributable to compliance with changes in Fed-*  
17 *eral, State, or local laws enacted after September 30,*  
18 *2002.*

19 (2) *Before making any adjustment under paragraph*  
20 *(1) in an amount greater than \$20,000,000, the Secretary*  
21 *of the Army shall submit to the congressional defense com-*  
22 *mittees notice in writing of the proposed increase.*

23 (d) *ANNUAL DOD INSPECTOR GENERAL REVIEW.*—(1)  
24 *Not later than March 1 of each year, the Department of*  
25 *Defense Inspector General shall review the RAH–66 Co-*

1 *manche aircraft program and submit to Congress a report*  
2 *on the results of the review.*

3 *(2) The report submitted on the program each year*  
4 *shall include the following:*

5 *(A) The extent to which engineering and manu-*  
6 *facturing development under the program is meeting*  
7 *the goals established for engineering and manufac-*  
8 *turing development under the program, including the*  
9 *performance, cost, and schedule goals.*

10 *(B) The status of modifications expected to have*  
11 *a significant effect on cost, schedule, or performance*  
12 *of RAH-66 aircraft.*

13 *(C) The plan for engineering and manufacturing*  
14 *development (leading to production) under the pro-*  
15 *gram for the fiscal year that begins in the following*  
16 *year.*

17 *(D) A conclusion regarding whether the plan re-*  
18 *ferred to in subparagraph (C) is consistent with the*  
19 *limitation in subsection (a).*

20 *(E) A conclusion regarding whether engineering*  
21 *and manufacturing development (leading to produc-*  
22 *tion) under the program is likely to be completed at*  
23 *a total cost not in excess of the amount specified in*  
24 *subsection (a).*

1       (3) *No report is required under this subsection after*  
 2 *the RAH-66 aircraft has completed engineering and manu-*  
 3 *facturing development.*

4       (e) *LIMITATION ON OBLIGATION OF FUNDS.—Of the*  
 5 *total amount authorized to be appropriated for the RAH-*  
 6 *66 Comanche aircraft program for research, development,*  
 7 *test, and evaluation for a fiscal year, not more than 90 per-*  
 8 *cent of that amount may be obligated until the Department*  
 9 *of Defense Inspector General submits to Congress the report*  
 10 *required to be submitted in that fiscal year under subsection*  
 11 *(d).*

12 **SEC. 212. EXTENSION OF REQUIREMENT RELATING TO**  
 13 **MANAGEMENT RESPONSIBILITY FOR NAVAL**  
 14 **MINE COUNTERMEASURES PROGRAMS.**

15       Section 216(a) of the National Defense Authorization  
 16 Act for Fiscal Years 1992 and 1993 (Public Law 102-190;  
 17 105 Stat. 1317), as most recently amended by section 211  
 18 of the Strom Thurmond National Defense Authorization Act  
 19 for Fiscal Year 1999 (Public Law 105-261; 112 Stat.  
 20 1946), is amended by striking “through 2003” and insert-  
 21 ing “through 2008”.

1 **SEC. 213. EXTENSION OF AUTHORITY TO CARRY OUT PILOT**  
2 **PROGRAM FOR REVITALIZING THE LABORA-**  
3 **TORIES AND TEST AND EVALUATION CEN-**  
4 **TERS OF THE DEPARTMENT OF DEFENSE.**

5 *Section 246 of the Strom Thurmond National Defense*  
6 *Authorization Act for Fiscal Year 1999 (Public Law 105–*  
7 *261; 112 Stat. 1955; 10 U.S.C. 2358 note) is amended—*

8 *(1) in subsection (a)(1), by inserting before the*  
9 *period at the end the following: “, and to demonstrate*  
10 *improved efficiency in the performance of the re-*  
11 *search, development, test, and evaluation functions of*  
12 *the Department of Defense”;*

13 *(2) in subsection (a)(4), by striking “for a pe-*  
14 *riod” and all that follows through the period at the*  
15 *end and inserting “until March 1, 2008.”;*

16 *(3) in subsection (b)(2), by striking “Promptly*  
17 *after” and all that follows through “The report shall*  
18 *contain” and inserting “Not later than December 31*  
19 *of each year, the Secretary of Defense shall submit to*  
20 *the congressional defense committees a report on the*  
21 *activities of the pilot program during the preceding*  
22 *fiscal year. Each such report shall contain, for each*  
23 *laboratory or center in the pilot program,”; and*

24 *(4) by adding at the end of subsection (b) the fol-*  
25 *lowing new paragraph:*

1       “(3) Not later than March 1, 2007, the Secretary of  
 2   Defense shall submit to the committees referred to in para-  
 3   graph (2) the Secretary’s recommendation as to whether,  
 4   and to what extent, the authority to carry out the pilot pro-  
 5   gram should be extended.”.

6   **SEC. 214. REVISED REQUIREMENTS FOR PLAN FOR MANU-**  
 7                   **FACTURING TECHNOLOGY PROGRAM.**

8       (a) *STREAMLINED CONTENTS OF PLAN.*—Subsection  
 9   (e) of section 2521 of title 10, United States Code, is amend-  
 10   ed by striking “prepare a five-year plan” in paragraph (1)  
 11   and all that follows through the end of subparagraph (B)  
 12   of paragraph (2) and inserting the following: “prepare and  
 13   maintain a five-year plan for the program.

14       “(2) The plan shall establish the following:

15               “(A) The overall manufacturing technology objec-  
 16   tives, milestones, priorities, and investment strategy  
 17   for the program.

18               “(B) The specific objectives of, and funding for  
 19   the program by, each military department and each  
 20   Defense Agency participating in the program.”.

21       (b) *BIENNIAL REPORT.*—Such subsection is further  
 22   amended in paragraph (3)—

23               (1) by striking “annually” and inserting “bien-  
 24   nially”; and

1           (2) by striking “for a fiscal year” and inserting  
2           “for each even-numbered fiscal year”.

3   **SEC. 215. TECHNOLOGY TRANSITION INITIATIVE.**

4           (a) *ESTABLISHMENT AND CONDUCT.*—Chapter 139 of  
5   *title 10, United States Code, is amended by inserting after*  
6   *section 2359 the following new section:*

7   **“§ 2359a. Technology Transition Initiative**

8           “(a) *INITIATIVE REQUIRED.*—The Secretary of De-  
9   *fense, acting through the Under Secretary of Defense for Ac-*  
10   *quisition, Technology, and Logistics, shall carry out an ini-*  
11   *tiative, to be known as the Technology Transition Initiative*  
12   *(hereinafter in this section referred to as the ‘Initiative’),*  
13   *to facilitate the rapid transition of new technologies from*  
14   *science and technology programs of the Department of De-*  
15   *fense into acquisition programs of the Department for the*  
16   *production of such technologies.*

17          “(b) *OBJECTIVES.*—The Initiative shall have the fol-  
18   *lowing objectives:*

19               “(1) *To accelerate the introduction of new tech-*  
20    *nologies into appropriate acquisition programs.*

21               “(2) *To successfully demonstrate new technologies*  
22    *in relevant environments.*

23               “(3) *To ensure that new technologies are suffi-*  
24    *ciently mature for production.*

1       “(c) *MANAGEMENT OF INITIATIVE.*—(1) *The Initiative*  
 2 *shall be managed by a senior official in the Office of the*  
 3 *Secretary of Defense designated by the Secretary (herein-*  
 4 *after in this section referred to as the ‘Manager’). In man-*  
 5 *aging the Initiative, the Manager shall report directly to*  
 6 *the Under Secretary of Defense for Acquisition, Technology,*  
 7 *and Logistics.*

8       “(2) *The Secretary shall establish a board of directors*  
 9 *(hereinafter in this section referred to as the ‘Board’), com-*  
 10 *posed of the acquisition executive of each military depart-*  
 11 *ment, the members of the Joint Requirements Oversight*  
 12 *Council, and the commander of the Joint Forces Command.*  
 13 *The Board shall assist the Manager in managing the Initia-*  
 14 *tive.*

15       “(3) *The Secretary shall establish, under the auspices*  
 16 *of the Under Secretary of Defense for Acquisition, Tech-*  
 17 *nology, and Logistics, a panel of highly qualified scientists*  
 18 *and engineers. The panel shall advise the Under Secretary*  
 19 *on matters relating to the Initiative.*

20       “(d) *DUTIES OF MANAGER.*—*The Manager shall have*  
 21 *following duties:*

22               “(1) *To identify, in consultation with the Board,*  
 23       *promising technologies that have been demonstrated*  
 24       *in science and technology programs of the Depart-*  
 25       *ment.*



1           “(2) To identify potential sponsors in the De-  
2           partment to undertake the transition of such tech-  
3           nologies into production.

4           “(3) To work with the science and technology  
5           community and the acquisition community to develop  
6           memoranda of agreement, joint funding agreements,  
7           and other cooperative arrangements to provide for the  
8           transition of such technologies into production.

9           “(4) Provide funding support for projects selected  
10          under subsection (e).

11          “(e) JOINTLY FUNDED PROJECTS.—(1) The acquisi-  
12          tion executive of each military department shall identify  
13          technology projects of that military department to rec-  
14          ommend for funding support under the Initiative and shall  
15          submit to the Manager a list of such recommended projects,  
16          ranked in order of priority. Such executive shall identify  
17          such projects, and establish priorities among such projects,  
18          using a competitive process, on the basis of the greatest po-  
19          tential benefits in areas of interest identified by the Sec-  
20          retary of that military department.

21          “(2) The Manager, in consultation with the Board,  
22          shall select projects for funding support from among the  
23          projects on the lists submitted under paragraph (1). From  
24          the funds made available to the Manager for the Initiative,  
25          the Manager shall provide funds for each selected project

1 *in an amount determined by mutual agreement between the*  
 2 *Manager and the acquisition executive of the military de-*  
 3 *partment concerned, but not less than 50 percent of the total*  
 4 *cost of the project.*

5       “(3) *The acquisition executive of the military depart-*  
 6 *ment concerned shall manage each project selected under*  
 7 *paragraph (2) that is undertaken by the military depart-*  
 8 *ment. Memoranda of agreement, joint funding agreements,*  
 9 *and other cooperative arrangements between the science and*  
 10 *technology community and the acquisition community shall*  
 11 *be used in carrying out the project if the acquisition execu-*  
 12 *tive determines that it is appropriate to do so to achieve*  
 13 *the objectives of the project.*

14       “(f) *REQUIREMENT FOR PROGRAM ELEMENT.—In the*  
 15 *budget justification materials submitted to Congress in sup-*  
 16 *port of the Department of Defense budget for any fiscal year*  
 17 *(as submitted with the budget of the President under section*  
 18 *1105(a) of title 31), the amount requested for activities of*  
 19 *the Initiative shall be set forth in a separate program ele-*  
 20 *ment within amounts requested for research, development,*  
 21 *test, and evaluation for Defense-wide activities.*

22       “(g) *DEFINITION OF ACQUISITION EXECUTIVE.—In*  
 23 *this section, the term ‘acquisition executive’, with respect*  
 24 *to a military department, means the official designated as*  
 25 *the senior procurement executive for that military depart-*

1 *ment under section 16(3) of the Office of Federal Procure-*  
 2 *ment Policy Act (41 U.S.C. 414(3)).”.*

3 *(b) CLERICAL AMENDMENT.—The table of sections at*  
 4 *the beginning of such chapter is amended by inserting after*  
 5 *the item relating to section 2359 the following new item:*  
*“2359a. Technology Transition Initiative.”.*

6 **SEC. 216. DEFENSE ACQUISITION CHALLENGE PROGRAM.**

7 *(a) IN GENERAL.—(1) Chapter 139 of title 10, United*  
 8 *States Code, is amended by inserting after section 2359a*  
 9 *(as added by section 215) the following new section:*

10 **“§ 2359b. Defense Acquisition Challenge Program**

11 *“(a) PROGRAM REQUIRED.—The Secretary of Defense*  
 12 *shall carry out a program to provide opportunities for the*  
 13 *increased introduction of innovative and cost-saving tech-*  
 14 *nology in acquisition programs of the Department of De-*  
 15 *fense. The program, to be known as the Defense Acquisition*  
 16 *Challenge Program (hereinafter in this section referred to*  
 17 *as the ‘Challenge Program’), shall provide any person or*  
 18 *activity within or outside the Department of Defense with*  
 19 *the opportunity to propose alternatives, to be known as*  
 20 *challenge proposals, at the component, subsystem, or system*  
 21 *level of an existing Department of Defense acquisition pro-*  
 22 *gram that would result in improvements in performance,*  
 23 *affordability, manufacturability, or operational capability*  
 24 *of that acquisition program.*

1       “(b) *PANEL.—(1) In carrying out the Challenge Pro-*  
2 *gram, the Secretary shall establish a panel of highly quali-*  
3 *fied scientists and engineers (hereinafter in this section re-*  
4 *ferred to as the ‘Panel’) under the auspices of the Under*  
5 *Secretary of Defense for Acquisition, Technology, and Lo-*  
6 *gistics. The duty of the Panel shall be to carry out evalua-*  
7 *tions of challenge proposals under subsection (c).*

8       “(2) *A member of the Panel may not participate in*  
9 *any evaluation of a challenge proposal under subsection (c)*  
10 *if at any time within the previous five years that member*  
11 *has, in any capacity, participated in or been affiliated with*  
12 *the acquisition program for which the challenge proposal*  
13 *is submitted.*

14       “(c) *EVALUATION BY PANEL.—(1) Under procedures*  
15 *prescribed by the Secretary, a person or activity within or*  
16 *outside the Department of Defense may submit challenge*  
17 *proposals to the Panel.*

18       “(2) *The Panel shall carry out an evaluation of each*  
19 *challenge proposal submitted under paragraph (1) to deter-*  
20 *mine each of the following criteria:*

21               “(A) *Whether the challenge proposal has merit.*

22               “(B) *Whether the challenge proposal is likely to*  
23 *result in improvements in performance, affordability,*  
24 *manufacturability, or operational capability at the*

1        *component, subsystem, or system level of the applica-*  
2        *ble acquisition program.*

3            *“(C) Whether the challenge proposal could be im-*  
4        *plemented rapidly in the applicable acquisition pro-*  
5        *gram.*

6        *“(3) If the Panel determines that a challenge proposal*  
7        *satisfies each of the criteria specified in paragraph (2), the*  
8        *person or activity submitting that challenge proposal shall*  
9        *be provided an opportunity to submit such challenge pro-*  
10       *posal for a full review and evaluation under subsection (d).*

11       *“(d) FULL REVIEW AND EVALUATION.—(1) Under*  
12       *procedures prescribed by the Secretary, for each challenge*  
13       *proposal submitted for a full review and evaluation as pro-*  
14       *vided in subsection (c)(3), the office carrying out the appli-*  
15       *cable acquisition program, and the prime system contractor*  
16       *carrying out such program, shall jointly conduct a full re-*  
17       *view and evaluation of the challenge proposal.*

18       *“(2) The full review and evaluation shall, independent*  
19       *of the determination of the Panel under subsection (c)(2),*  
20       *determine each of the matters specified in subparagraphs*  
21       *(A), (B), and (C) of such subsection.*

22       *“(e) ACTION UPON FAVORABLE FULL REVIEW AND*  
23       *EVALUATION.—(1) Under procedures prescribed by the Sec-*  
24       *retary, each challenge proposal determined under a full re-*  
25       *view and evaluation to satisfy each of the criteria specified*

1 *in subsection (c)(2) shall be considered by the prime system*  
2 *contractor for incorporation into the applicable acquisition*  
3 *program as a new technology insertion at the component,*  
4 *subsystem, or system level.*

5       “(2) *The Secretary shall encourage the adoption of*  
6 *each challenge proposal referred to in paragraph (1) by pro-*  
7 *viding suitable incentives to the office carrying out the ap-*  
8 *plicable acquisition program and the prime system con-*  
9 *tractor carrying out such program.*

10       “(f) *ACCESS TO TECHNICAL RESOURCES.—The Sec-*  
11 *retary shall ensure that the Panel (in carrying out evalua-*  
12 *tions of challenge proposals under subsection (c)) and each*  
13 *office and prime system contractor (in conducting a full*  
14 *review and evaluation under subsection (d)) have the au-*  
15 *thority to call upon the technical resources of the labora-*  
16 *tories, research, development, and engineering centers, test*  
17 *and evaluation activities, and other elements of the Depart-*  
18 *ment.*

19       “(g) *ELIMINATION OF CONFLICTS OF INTEREST.—In*  
20 *carrying out each evaluation under subsection (c) and full*  
21 *review under subsection (d), the Secretary shall ensure the*  
22 *elimination of conflicts of interest.*

23       “(h) *REPORT.—The Secretary shall submit to Con-*  
24 *gress, with the submission of the budget request for the De-*  
25 *partment of Defense for each fiscal year during which the*

1 *Challenge Program is carried out, a report on the Challenge*  
 2 *Program for that fiscal year. The report shall include the*  
 3 *number and scope of challenge proposals submitted, evalu-*  
 4 *ated, subjected to full review, and adopted.*

5 “(i) *SUNSET.—The authority to carry out this section*  
 6 *shall terminate on September 30, 2007.*”.

7 (2) *The table of sections at the beginning of such chap-*  
 8 *ter is amended by inserting after the item relating to section*  
 9 *2359a (as added by section 215) the following new item:*

*“2359b. Defense Acquisition Challenge Program.”.*

10 (b) *INITIAL FUNDING.—(1) Of the funds authorized to*  
 11 *be appropriated by section 201(4) for Defense-wide research,*  
 12 *development, test, and evaluation for fiscal year 2003,*  
 13 *\$25,000,000 shall be available in program element*  
 14 *0603826D8Z for the Defense Acquisition Challenge Pro-*  
 15 *gram required by section 2359b of title 10, United States*  
 16 *Code, as added by subsection (a).*

17 (2) *The funds provided under paragraph (1) may be*  
 18 *used only for review and evaluation of challenge proposals,*  
 19 *and not for implementation of challenge proposals.*

1           ***Subtitle C—Ballistic Missile***  
2                           ***Defense***

3   ***SEC. 231. LIMITATION ON OBLIGATION OF FUNDS FOR PRO-***  
4                           ***CUREMENT OF PATRIOT (PAC-3) MISSILES***  
5                           ***PENDING SUBMISSION OF REQUIRED CER-***  
6                           ***TIFICATION.***

7       *None of the funds appropriated for fiscal year 2003*  
8       *for procurement of missiles for the Army may be obligated*  
9       *for the Patriot Advanced Capability (PAC-3) missile pro-*  
10       *gram until the Secretary of Defense has submitted to the*  
11       *congressional defense committees the following:*

12               *(1) The criteria for the transfer of responsibility*  
13       *for a missile defense program from the Director of the*  
14       *Missile Defense Agency to the Secretary of a military*  
15       *department, as required by section 224(b)(2) of title*  
16       *10, United States Code.*

17               *(2) The notice and certification with respect to*  
18       *the transfer of responsibility for the Patriot Advanced*  
19       *Capability (PAC-3) missile program from the Direc-*  
20       *tor to the Secretary of the Army required by section*  
21       *224(c) of such title.*



1 **SEC. 232. RESPONSIBILITY OF MISSILE DEFENSE AGENCY**  
 2 **FOR RESEARCH, DEVELOPMENT, TEST, AND**  
 3 **EVALUATION RELATED TO SYSTEM IMPROVE-**  
 4 **MENTS OF PROGRAMS TRANSFERRED TO**  
 5 **MILITARY DEPARTMENTS.**

6 *Section 224(e) of title 10, United States Code, is*  
 7 *amended—*

8 *(1) by striking “before a” and inserting “for*  
 9 *each”;*

10 *(2) by striking “is”; and*

11 *(3) by striking “roles and responsibilities” and*  
 12 *all that follows through the period at the end and in-*  
 13 *serting “responsibility for research, development, test,*  
 14 *and evaluation related to system improvements for*  
 15 *that program remains with the Director.”.*

16 **SEC. 233. AMENDMENTS TO REFLECT CHANGE IN NAME OF**  
 17 **BALLISTIC MISSILE DEFENSE ORGANIZATION**  
 18 **TO MISSILE DEFENSE AGENCY.**

19 *(a) TITLE 10, UNITED STATES CODE.—Title 10,*  
 20 *United States Code, is amended as follows:*

21 *(1) Sections 203, 223, and 224 are each amended*  
 22 *by striking “Ballistic Missile Defense Organization”*  
 23 *each place it appears and inserting “Missile Defense*  
 24 *Agency”.*

25 *(2)(A) The heading of section 203 is amended to*  
 26 *read as follows:*

1 **“§ 203. Director of Missile Defense Agency”.**

2           *(B) The item relating to such section in the table*  
 3           *of sections at the beginning of subchapter II of chap-*  
 4           *ter 8 is amended to read as follows:*

*“203. Director of Missile Defense Agency.”.*

5           *(b) PUBLIC LAW 107–107.—(1) Section 232 of the Na-*  
 6           *tional Defense Authorization Act for Fiscal Year 2002 (Pub-*  
 7           *lic Law 107–107; 10 U.S.C. 2431 note) is amended by strik-*  
 8           *ing “Ballistic Missile Defense Organization” each place it*  
 9           *appears and inserting “Missile Defense Agency”.*

10          *(2) The heading for such section is amended to read*  
 11          *as follows:*

12 **“SEC. 232. PROGRAM ELEMENTS FOR MISSILE DEFENSE**  
 13 **AGENCY.”.**

14          *(c) PUBLIC LAW 106–398.—(1) Section 3132 of the*  
 15          *Floyd D. Spence National Defense Authorization Act for*  
 16          *Fiscal Year 2001 (as enacted into law by Public Law 106–*  
 17          *398; 10 U.S.C. 2431 note) is amended by striking “Ballistic*  
 18          *Missile Defense Organization” each place it appears and*  
 19          *inserting “Missile Defense Agency”.*

20          *(2) Such section is further amended in subsection (c)*  
 21          *by striking “BMDO” and inserting “MDA”.*

22          *(3) The section heading for such section is amended*  
 23          *to read as follows:*

1 **“SEC. 3132. ENHANCED COOPERATION BETWEEN NATIONAL**  
 2 **NUCLEAR SECURITY ADMINISTRATION AND**  
 3 **MISSILE DEFENSE AGENCY.”.**

4 (d) *OTHER LAWS.*—*The following provisions are each*  
 5 *amended by striking “Ballistic Missile Defense Organiza-*  
 6 *tion” each place it appears and inserting “Missile Defense*  
 7 *Agency”:*

8 (1) *Section 233 of the National Defense Author-*  
 9 *ization Act for Fiscal Year 1998 (Public Law 105–*  
 10 *85; 10 U.S.C. 223 note).*

11 (2) *Section 234 of the National Defense Author-*  
 12 *ization Act for Fiscal Year 1996 (Public Law 104–*  
 13 *106; 10 U.S.C. 2431 note).*

14 (3) *Sections 235 (10 U.S.C. 2431 note) and 243*  
 15 *(10 U.S.C. 2431 note) of the National Defense Author-*  
 16 *ization Act for Fiscal Year 1994 (Public Law 103–*  
 17 *160).*

## 18 **TITLE III—OPERATION AND** 19 **MAINTENANCE**

### 20 **Subtitle A—Authorization of** 21 **Appropriations**

#### 22 **SEC. 301. OPERATION AND MAINTENANCE FUNDING.**

23 *Funds are hereby authorized to be appropriated for fis-*  
 24 *cal year 2003 for the use of the Armed Forces and other*  
 25 *activities and agencies of the Department of Defense for ex-*

1 *penses, not otherwise provided for, for operation and main-*  
2 *tenance, in amounts as follows:*

3 *(1) For the Army, \$24,159,733,000.*

4 *(2) For the Navy, \$29,428,876,000.*

5 *(3) For the Marine Corps, \$3,588,512,000.*

6 *(4) For the Air Force, \$27,299,404,000.*

7 *(5) For Defense-wide activities, \$14,370,037,000.*

8 *(6) For the Army Reserve, \$1,918,110,000.*

9 *(7) For the Naval Reserve, \$1,233,759,000.*

10 *(8) For the Marine Corps Reserve, \$185,532,000.*

11 *(9) For the Air Force Reserve, \$2,194,719,000.*

12 *(10) For the Army National Guard,*  
13 *\$4,300,767,000.*

14 *(11) For the Air National Guard,*  
15 *\$4,077,845,000.*

16 *(12) For the Defense Inspector General,*  
17 *\$155,165,000.*

18 *(13) For the United States Court of Appeals for*  
19 *the Armed Forces, \$9,614,000.*

20 *(14) For Environmental Restoration, Army,*  
21 *\$395,900,000.*

22 *(15) For Environmental Restoration, Navy,*  
23 *\$256,948,000.*

24 *(16) For Environmental Restoration, Air Force,*  
25 *\$389,773,000.*

1           (17) *For Environmental Restoration, Defense-*  
2           *wide, \$23,498,000.*

3           (18) *For Environmental Restoration, Formerly*  
4           *Used Defense Sites, \$212,102,000.*

5           (19) *For Overseas Humanitarian, Disaster, and*  
6           *Civic Aid programs, \$58,400,000.*

7           (20) *For Drug Interdiction and Counter-drug*  
8           *Activities, Defense-wide, \$848,907,000.*

9           (21) *For the Kaho'olawe Island Conveyance, Re-*  
10          *mediation, and Environmental Restoration Trust*  
11          *Fund, \$25,000,000.*

12          (22)   *For     Defense     Health     Program,*  
13          *\$14,242,541,000.*

14          (23) *For Cooperative Threat Reduction pro-*  
15          *grams, \$416,700,000.*

16          (24) *For Support for International Sporting*  
17          *Competitions, Defense, \$19,000,000.*

18 **SEC. 302. WORKING CAPITAL FUNDS.**

19       *Funds are hereby authorized to be appropriated for fis-*  
20       *cal year 2003 for the use of the Armed Forces and other*  
21       *activities and agencies of the Department of Defense for*  
22       *providing capital for working capital and revolving funds*  
23       *in amounts as follows:*

24           (1) *For the Defense Working Capital Funds,*  
25           *\$1,504,956,000.*

1           (2) *For the National Defense Sealift Fund,*  
 2           *\$934,129,000.*

3   **SEC. 303. ARMED FORCES RETIREMENT HOME.**

4           *There is hereby authorized to be appropriated for fiscal*  
 5   *year 2003 from the Armed Forces Retirement Home Trust*  
 6   *Fund the sum of \$69,921,000 for the operation of the Armed*  
 7   *Forces Retirement Home.*

8                   ***Subtitle B—Environmental***  
 9                   ***Provisions***

10   **SEC. 311. INCIDENTAL TAKING OF MIGRATORY BIRDS DUR-**  
 11                   ***ING MILITARY READINESS ACTIVITY.***

12           *Section 3 of the Migratory Bird Treaty Act (16 U.S.C.*  
 13   *704) is amended by adding at the end the following new*  
 14   *subsection:*

15           “(c)(1) *Section 2 shall not apply to the incidental tak-*  
 16   *ing of a migratory bird by a member of the Armed Forces*  
 17   *during a military readiness activity authorized by the Sec-*  
 18   *retary of Defense or the Secretary of the military depart-*  
 19   *ment concerned.*

20           “(2)(A) *In this subsection, the term ‘military readiness*  
 21   *activity’ includes—*

22                   “(i) *all training and operations of the Armed*  
 23   *Forces that relate to combat; and*

1           “(ii) the adequate and realistic testing of mili-  
 2       tary equipment, vehicles, weapons, and sensors for  
 3       proper operation and suitability for combat use.

4           “(B) The term does not include—

5           “(i) the routine operation of installation oper-  
 6       ating support functions, such as administrative of-  
 7       fices, military exchanges, commissaries, water treat-  
 8       ment facilities, storage facilities, schools, housing,  
 9       motor pools, laundries, morale, welfare, and recre-  
 10      ation activities, shops, and mess halls;

11           “(ii) the operation of industrial activities; or

12           “(iii) the construction or demolition of facilities  
 13      used for a purpose described in clause (i) or (ii).”.

14   **SEC. 312. MILITARY READINESS AND THE CONSERVATION**  
 15           **OF PROTECTED SPECIES.**

16       (a) *LIMITATION ON DESIGNATION OF CRITICAL HABI-*  
 17   *TAT.*—Section 4(a)(3) of the Endangered Species Act of  
 18   1973 (16 U.S.C. 1533(a)(3)) is amended—

19           (1) by redesignating subparagraphs (A) and (B)  
 20      as clauses (i) and (ii), respectively;

21           (2) by inserting “(A)” after “(3)”; and

22           (3) by adding at the end the following:

23       “(B)(i) The Secretary may not designate as critical  
 24   habitat any lands or other geographical areas owned or con-  
 25   trolled by the Department of Defense, or designated for its

1 use, that are subject to an integrated natural resources  
 2 management plan prepared under section 101 of the Sikes  
 3 Act (16 U.S.C. 670a), if the Secretary determines that such  
 4 plan addresses special management considerations or pro-  
 5 tection (as those terms are used in section 3(5)(A)(i)).

6 “(ii) Nothing in this subparagraph affects the require-  
 7 ment to consult under section 7(a)(2) with respect to an  
 8 agency action (as that term is defined in that section).

9 “(iii) Nothing in this subparagraph affects the obliga-  
 10 tion of the Department of Defense to comply with section  
 11 9 of the Endangered Species Act of 1973, including the pro-  
 12 hibition preventing extinction and taking of endangered  
 13 species and threatened species.”.

14 (b) *CONSIDERATION OF EFFECTS OF DESIGNATION OF*  
 15 *CRITICAL HABITAT.*—Section 4(b)(2) of the Endangered  
 16 Species Act of 1973 (16 U.S.C. 1533(b)(2)) is amended by  
 17 inserting “the impact on national security,” after “the eco-  
 18 nomic impact,”.

19 **SEC. 313. SINGLE POINT OF CONTACT FOR POLICY AND**  
 20 **BUDGETING ISSUES REGARDING**  
 21 **UNEXPLODED ORDNANCE, DISCARDED MILI-**  
 22 **TARY MUNITIONS, AND MUNITIONS CON-**  
 23 **STITUENTS.**

24 Section 2701 of title 10, United States Code, is amend-  
 25 ed by adding at the end the following new subsection:



1       “(k) *UXO PROGRAM MANAGER.*—(1) *The Secretary of*  
2 *Defense shall establish a program manager who shall serve*  
3 *as the single point of contact in the Department of Defense*  
4 *for policy and budgeting issues involving the characteriza-*  
5 *tion, remediation, and management of explosive and related*  
6 *risks with respect to unexploded ordnance, discarded mili-*  
7 *tary munitions, and munitions constituents at defense sites*  
8 *(as such terms are defined in section 2710 of this title) that*  
9 *pose a threat to human health or safety.*

10       “(2) *The Secretary of Defense may delegate this au-*  
11 *thority to the Secretary of a military department, who may*  
12 *delegate the authority to the Under Secretary of that mili-*  
13 *tary department. The authority may not be further dele-*  
14 *gated.*

15       “(3) *The program manager may establish an inde-*  
16 *pendent advisory and review panel that may include rep-*  
17 *resentatives of the National Academy of Sciences, non-*  
18 *governmental organizations with expertise regarding*  
19 *unexploded ordnance, discarded military munitions, or mu-*  
20 *nitions constituents, the Environmental Protection Agency,*  
21 *States (as defined in section 2710 of this title), and tribal*  
22 *governments. If established, the panel would report annu-*  
23 *ally to Congress on progress made by the Department of*  
24 *Defense to address unexploded ordnance, discarded military*  
25 *munitions, or munitions constituents at defense sites and*

1 *make such recommendations as the panel considered appro-*  
 2 *priate.”.*

3 ***Subtitle C—Commissaries and Non-***  
 4 ***appropriated Fund Instrumen-***  
 5 ***talities***

6 ***SEC. 321. AUTHORITY FOR EACH MILITARY DEPARTMENT***  
 7 ***TO PROVIDE BASE OPERATING SUPPORT TO***  
 8 ***FISHER HOUSES.***

9 *Section 2493(f) of title 10, United States Code, is*  
 10 *amended to read as follows:*

11 *“(f) BASE OPERATING SUPPORT.—The Secretary of a*  
 12 *military department may provide base operating support*  
 13 *for Fisher Houses associated with health care facilities of*  
 14 *that military department.”.*

15 ***SEC. 322. USE OF COMMISSARY STORES AND MWR RETAIL***  
 16 ***FACILITIES BY MEMBERS OF NATIONAL***  
 17 ***GUARD SERVING IN NATIONAL EMERGENCY.***

18 *(a) ADDITIONAL BASIS FOR AUTHORIZED USE.—Sec-*  
 19 *tion 1063a of title 10, United States Code, is amended—*

20 *(1) in subsection (a), by inserting “or national*  
 21 *emergency” after “federally declared disaster”; and*

22 *(2) in subsection (c), by adding at the end the*  
 23 *following new paragraph:*

1           “(3) *NATIONAL EMERGENCY.*—*The term ‘na-*  
 2           *tional emergency’ means a national emergency de-*  
 3           *clared by the President or Congress.’.*”

4           **(b) CLERICAL AMENDMENTS.**—(1) *The heading of such*  
 5           *section is amended to read as follows:*

6           **“§ 1063a. Use of commissary stores and MWR retail fa-**  
 7                               **cilities: members of National Guard serv-**  
 8                               **ing in federally declared disaster or na-**  
 9                               **tional emergency”.**

10          (2) *The table of sections at the beginning of chapter*  
 11          *54 of such title is amended by striking the item relating*  
 12          *to section 1063a and inserting the following new item:*

*“1063a. Use of commissary stores and MWR retail facilities: members of National*  
               *Guard serving in federally declared disaster or national emer-*  
               *gency.”.*

13          **SEC. 323. UNIFORM FUNDING AND MANAGEMENT OF MO-**  
 14                               **RALE, WELFARE, AND RECREATION PRO-**  
 15                               **GRAMS.**

16          **(a) IN GENERAL.**—*Chapter 147 of title 10, United*  
 17          *States Code, is amended by adding at the end the following*  
 18          *new section:*

19          **“§ 2494. Uniform funding and management of morale,**  
 20                               **welfare, and recreation programs**

21               **“(a) AUTHORITY FOR UNIFORM FUNDING AND MAN-**  
 22               **AGEMENT.**—*Under regulations prescribed by the Secretary*  
 23               *of Defense, funds appropriated to the Department of Defense*  
 24               *and available for morale, welfare, and recreation programs*

1 *may be treated as nonappropriated funds and expended in*  
2 *accordance with laws applicable to the expenditures of non-*  
3 *appropriated funds. When made available for morale, wel-*  
4 *fare, and recreation programs under such regulations, ap-*  
5 *propriated funds shall be considered to be nonappropriated*  
6 *funds for all purposes and shall remain available until ex-*  
7 *pended.*

8       “(b) *CONDITIONS ON AVAILABILITY.—Funds appro-*  
9 *priated to the Department of Defense may be made avail-*  
10 *able to support a morale, welfare, or recreation program*  
11 *only if the program is authorized to receive appropriated*  
12 *fund support and only in the amounts the program is au-*  
13 *thorized to receive.*

14       “(c) *CONVERSION OF EMPLOYMENT POSITIONS.—(1)*  
15 *The Secretary of Defense may identify positions of employ-*  
16 *ees in morale, welfare, and recreation programs within the*  
17 *Department of Defense who are paid with appropriated*  
18 *funds whose status may be converted from the status of an*  
19 *employee paid with appropriated funds to the status of an*  
20 *employee of a nonappropriated fund instrumentality.*

21       “(2) *The status of an employee in a position identified*  
22 *by the Secretary under paragraph (1) may, with the con-*  
23 *sent of the employee, be converted to the status of an em-*  
24 *ployee of a nonappropriated fund instrumentality. An em-*  
25 *ployee who does not consent to the conversion may not be*

1 removed from the position because of the failure to provide  
2 such consent.

3       “(3) The conversion of an employee from the status of  
4 an employee paid by appropriated funds to the status of  
5 an employee of a nonappropriated fund instrumentality  
6 shall be without a break in service for the concerned em-  
7 ployee. The conversion shall not entitle an employee to sev-  
8 erance pay, back pay or separation pay under subchapter  
9 IX of chapter 55 of title 5, or be considered an involuntary  
10 separation or other adverse personnel action entitling an  
11 employee to any right or benefit under such title or any  
12 other provision of law or regulation.

13       “(4) In this subsection, the term ‘an employee of a non-  
14 appropriated fund instrumentality’ means an employee de-  
15 scribed in section 2105(c) of title 5.”.

16       (b) CLERICAL AMENDMENT.—The table of sections at  
17 the beginning of such chapter is amended by adding at the  
18 end the following new item:

“2494. Uniform funding and management of morale, welfare, and recreation pro-  
grams.”.

1     ***Subtitle D—Workplace and Depot***  
2                     ***Issues***

3     ***SEC. 331. NOTIFICATION REQUIREMENTS IN CONNECTION***  
4                     ***WITH REQUIRED STUDIES FOR CONVERSION***  
5                     ***OF COMMERCIAL OR INDUSTRIAL TYPE FUNC-***  
6                     ***TIONS TO CONTRACTOR PERFORMANCE.***

7         *Subsection (c) of section 2461 of title 10, United States*  
8     *Code, is amended to read as follows:*

9         “(c) *SUBMISSION OF ANALYSIS RESULTS.—(1) Upon*  
10     *the completion of an analysis of a commercial or industrial*  
11     *type function described in subsection (a) for possible change*  
12     *to performance by the private sector, the Secretary of De-*  
13     *fense shall submit to Congress a report containing the re-*  
14     *sults of the analysis, including the results of the examina-*  
15     *tions required by subsection (b)(3).*

16         “(2) *The report shall also contain the following:*

17             “(A) *The date when the analysis of the function*  
18     *was commenced.*

19             “(B) *The Secretary’s certification that the Gov-*  
20     *ernment calculation of the cost of performance of the*  
21     *function by Department of Defense civilian employees*  
22     *is based on an estimate of the most cost effective man-*  
23     *ner for performance of the function by Department of*  
24     *Defense civilian employees.*

1           “(C) *The number of Department of Defense civil-*  
2           *ian employees who were performing the function when*  
3           *the analysis was commenced and the number of such*  
4           *employees whose employment was or will be termi-*  
5           *nated or otherwise affected by changing to perform-*  
6           *ance of the function by the private sector or by imple-*  
7           *mentation of the most efficient organization of the*  
8           *function.*

9           “(D) *The Secretary’s certification that the fac-*  
10          *tors considered in the examinations performed under*  
11          *subsection (b)(3), and in the making of the decision*  
12          *regarding changing to performance of the function by*  
13          *the private sector or retaining performance in the*  
14          *most efficient organization of the function, did not in-*  
15          *clude any predetermined personnel constraint or limi-*  
16          *tation in terms of man years, end strength, full-time*  
17          *equivalent positions, or maximum number of employ-*  
18          *ees.*

19          “(E) *A statement of the potential economic effect*  
20          *of implementing the decision regarding changing to*  
21          *performance of the function by the private sector or*  
22          *retaining performance in the most efficient organiza-*  
23          *tion of the function on each affected local community,*  
24          *as determined in the examination under subsection*  
25          *(b)(3)(B)(ii).*

1           “(F) *A schedule for completing the change to per-*  
2           *formance of the function by the private sector or im-*  
3           *plementing the most efficient organization of the func-*  
4           *tion.*

5           “(G) *In the case of a commercial or industrial*  
6           *type function performed at a Center of Industrial and*  
7           *Technical Excellence designated under section 2474(a)*  
8           *of this title or an Army ammunition plant, a descrip-*  
9           *tion of the effect that the manner of performance of*  
10          *the function, and administration of the resulting con-*  
11          *tract if any, will have on the overhead costs of the*  
12          *center or ammunition plant, as the case may be.*

13          “(H) *The Secretary’s certification that the entire*  
14          *analysis is available for examination.*

15          “(3)(A) *If a decision is made to change the commercial*  
16          *or industrial type function that was the subject of the anal-*  
17          *ysis to performance by the private sector, the change of the*  
18          *function to contractor performance may not begin until*  
19          *after the submission of the report required by paragraph*  
20          *(1).*

21          “(B) *Notwithstanding subparagraph (A), in the case*  
22          *of a commercial or industrial type function performed at*  
23          *a Center of Industrial and Technical Excellence designated*  
24          *under section 2474(a) of this title or an Army ammunition*  
25          *plant, the change of the function to contractor performance*



1 *may not begin until at least 60 days after the submission*  
 2 *of the report.”.*

3 **SEC. 332. WAIVER AUTHORITY REGARDING PROHIBITION**  
 4 **ON CONTRACTS FOR PERFORMANCE OF SE-**  
 5 **CURITY-GUARD FUNCTIONS.**

6 *Section 2465 of title 10, United States Code, is amend-*  
 7 *ed by adding at the end the following new subsection:*

8 *“(c) The Secretary of Defense or the Secretary of a*  
 9 *military department may waive the prohibition under sub-*  
 10 *section (a) regarding contracting for the performance of se-*  
 11 *curity-guard functions at a military installation or facility*  
 12 *under the jurisdiction of the Secretary if such functions—*

13 *“(1) are or will be performed by members of the*  
 14 *armed forces in the absence of a waiver; or*

15 *“(2) were not performed at the installation or fa-*  
 16 *cility before September 11, 2001.”.*

17 **SEC. 333. EXCLUSION OF CERTAIN EXPENDITURES FROM**  
 18 **PERCENTAGE LIMITATION ON CONTRACTING**  
 19 **FOR PERFORMANCE OF DEPOT-LEVEL MAIN-**  
 20 **TENANCE AND REPAIR WORKLOADS.**

21 *Section 2474(f)(2) of title 10, United States Code, is*  
 22 *amended by striking “for fiscal years 2002 through 2005”.*

1 **SEC. 334. REPEAL OF OBSOLETE PROVISION REGARDING**  
2 **DEPOT-LEVEL MAINTENANCE AND REPAIR**  
3 **WORKLOADS THAT WERE PERFORMED AT**  
4 **CLOSED OR REALIGNED MILITARY INSTALLA-**  
5 **TIONS.**

6 (a) *REPEAL.*—Section 2469a of title 10, United States  
7 Code, is repealed.

8 (b) *CLERICAL AMENDMENT.*—The table of sections at  
9 the beginning of chapter 146 of such title is amended by  
10 striking the item relating to section 2469a.

11 **SEC. 335. CLARIFICATION OF REQUIRED CORE LOGISTICS**  
12 **CAPABILITIES.**

13 Section 2464(a)(3) of title 10, United States Code, is  
14 amended by striking “those capabilities that are necessary  
15 to maintain and repair the weapon systems” and inserting  
16 “those logistics capabilities (including acquisition logistics,  
17 supply management, system engineering, maintenance, and  
18 modification management) that are necessary to sustain the  
19 weapon systems”.

***Subtitle E—Defense Dependents  
Education***

***SEC. 341. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES  
THAT BENEFIT DEPENDENTS OF MEMBERS  
OF THE ARMED FORCES AND DEPARTMENT  
OF DEFENSE CIVILIAN EMPLOYEES.***

*(a) CONTINUATION OF DEPARTMENT OF DEFENSE  
PROGRAM FOR FISCAL YEAR 2003.—Of the amount author-  
ized to be appropriated pursuant to section 301(5) for oper-  
ation and maintenance for Defense-wide activities,  
\$35,000,000 shall be available only for the purpose of pro-  
viding educational agencies assistance to local educational  
agencies.*

*(b) NOTIFICATION.—Not later than June 30, 2003, the  
Secretary of Defense shall notify each local educational  
agency that is eligible for educational agencies assistance  
for fiscal year 2003 of—*

*(1) that agency's eligibility for the assistance;  
and  
(2) the amount of the assistance for which that  
agency is eligible.*

*(c) DISBURSEMENT OF FUNDS.—The Secretary of De-  
fense shall disburse funds made available under subsection  
(a) not later than 30 days after the date on which notifica-*

tion to the eligible local educational agencies is provided pursuant to subsection (b).

(d) *DEFINITIONS.—In this section:*

(1) *The term “educational agencies assistance” means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).*

(2) *The term “local educational agency” has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).*

**SEC. 342. AVAILABILITY OF QUARTERS ALLOWANCE FOR UNACCOMPANIED DEFENSE DEPARTMENT TEACHER REQUIRED TO RESIDE ON OVERSEAS MILITARY INSTALLATION.**

(a) *AUTHORITY TO PROVIDE ALLOWANCE.—Subsection (b) of section 7 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 905) is amended by adding at the end the following new sentence: “If the teacher is unaccompanied by dependents and is required to reside on a United States military installation in an overseas area, the teacher may receive a quarters allowance to reside in excess family housing at the installa-*

1 *tion notwithstanding the availability single room housing*  
 2 *at the installation.”.*

3 (b) *TECHNICAL CORRECTION TO REFLECT CODIFICA-*  
 4 *TION.—Such section is further amended by striking “the*  
 5 *Act of June 26, 1930 (5 U.S.C. 118a)” both places it ap-*  
 6 *pears and inserting “section 5912 of title 5, United States*  
 7 *Code”.*

8 **SEC. 343. PROVISION OF SUMMER SCHOOL PROGRAMS FOR**  
 9 **STUDENTS WHO ATTEND DEFENSE DEPEND-**  
 10 **ENTS’ EDUCATION SYSTEM.**

11 *Section 1402(d) of the Defense Dependents’ Education*  
 12 *Act of 1978 (20 U.S.C. 921(d)) is amended by striking*  
 13 *paragraph (2) and inserting the following new paragraph*  
 14 *(2):*

15 *“(2) Individuals eligible to receive a free public edu-*  
 16 *cation under subsection (a) may enroll without charge in*  
 17 *a summer school program offered under this subsection.*  
 18 *Students who are required under section 1404 to pay tui-*  
 19 *tion to enroll in a school of the defense dependents’ edu-*  
 20 *cation system shall also be charged a fee, at a rate estab-*  
 21 *lished by the Secretary, to attend a course offered as part*  
 22 *of the summer school program.”.*

1 ***Subtitle F—Information Technology***

2 ***SEC. 351. AUTHORIZED DURATION OF BASE CONTRACT FOR***  
 3 ***NAVY-MARINE CORPS INTRANET.***

4 *Section 814 of the Floyd D. Spence National Defense*  
 5 *Authorization Act for Fiscal Year 2001, as enacted into law*  
 6 *by Public Law 106–398 (114 Stat. 1654A–215) and amend-*  
 7 *ed by section 362 of Public Law 107–107 (115 Stat. 1065),*  
 8 *is amended—*

9 *(1) by redesignating subsection (i) as subsection*  
 10 *(j); and*

11 *(2) by inserting after subsection (h) the following*  
 12 *new subsection (i):*

13 *“(i) DURATION OF BASE NAVY-MARINE CORPS*  
 14 *INTRANET CONTRACT.—Notwithstanding section 2306c of*  
 15 *title 10, United States Code, the base contract of the Navy-*  
 16 *Marine Corps Intranet contract may have a term in excess*  
 17 *of five years, but not more than seven years.”.*

18 ***SEC. 352. ANNUAL SUBMISSION OF INFORMATION ON NA-***  
 19 ***TIONAL SECURITY AND INFORMATION TECH-***  
 20 ***NOLOGY CAPITAL ASSETS.***

21 *(a) REQUIREMENT TO SUBMIT INFORMATION.—Not*  
 22 *later than the date that the President submits the budget*  
 23 *of the United States Government to Congress each year, the*  
 24 *Secretary of Defense shall submit to Congress a description*  
 25 *of, and relevant budget information on, each information*

1 *technology and national security capital asset of the De-*  
2 *partment of Defense that—*

3           (1) *has an estimated life cycle cost (as computed*  
4 *in fiscal year 2003 constant dollars), in excess of*  
5 *\$120,000,000; and*

6           (2) *has a cost for the fiscal year in which the de-*  
7 *scription is submitted (as computed in fiscal year*  
8 *2003 constant dollars) in excess of \$30,000,000.*

9       (b) *INFORMATION TO BE INCLUDED.—The description*  
10 *submitted under subsection (a) shall include, with respect*  
11 *to each such capital asset and national security system—*

12           (1) *the name and identifying acronym;*

13           (2) *the date of initiation;*

14           (3) *a summary of performance measurements*  
15 *and metrics;*

16           (4) *the total amount of funds, by appropriation*  
17 *account, appropriated and obligated for prior fiscal*  
18 *years, with a specific breakout of such information for*  
19 *the two preceding fiscal years;*

20           (5) *the funds, by appropriation account, re-*  
21 *quested for that fiscal year;*

22           (6) *each prime contractor and the work to be*  
23 *performed;*

24           (7) *a description of program management and*  
25 *management oversight;*

1           (8) *the original baseline cost and most current*  
 2           *baseline information; and*

3           (9) *a description of compliance with the provi-*  
 4           *sions enacted in the Government Performance Results*  
 5           *Act of 1993 (Public Law 103–62; 107 Stat. 285) and*  
 6           *the Clinger–Cohen Act of 1996 (division D of Public*  
 7           *Law 104–106; 110 Stat. 642).*

8           (c) *ADDITIONAL INFORMATION TO BE INCLUDED FOR*  
 9           *CERTAIN SYSTEMS.—(1) For each information technology*  
 10          *and national security system of the Department of Defense*  
 11          *that has a cost for the fiscal year in excess of \$2,000,000,*  
 12          *the Secretary shall identify that system by name, function,*  
 13          *and total funds requested for the system.*

14          (2) *For each information technology and national se-*  
 15          *curity system of the Department of Defense that has a cost*  
 16          *for the fiscal year in excess of \$10,000,000, the Secretary*  
 17          *shall identify that system by name, function, and total*  
 18          *funds requested (by appropriation account) for that fiscal*  
 19          *year, the funds appropriated for the preceding fiscal year,*  
 20          *and the funds estimated to be requested for the next fiscal*  
 21          *year.*

22          (d) *DEFINITIONS.—In this section:*

23               (1) *The term “information technology” has the*  
 24               *meaning given that term in section 5002 of the*  
 25               *Clinger–Cohen Act of 1996 (40 U.S.C. 1401(3)).*



1           (2) *The term “capital asset” has the meaning*  
2           *given that term in Office of Management and Budget*  
3           *Circular A–11.*

4           (3) *The term “national security system” has the*  
5           *meaning given that term in section 5142 of the*  
6           *Clinger–Cohen Act of 1996 (40 U.S.C. 1452).*

7   **SEC. 353. IMPLEMENTATION OF POLICY REGARDING CER-**  
8                   **TAIN COMMERCIAL OFF-THE-SHELF INFOR-**  
9                   **MATION TECHNOLOGY PRODUCTS.**

10          *The Secretary of Defense shall ensure that—*

11               (1) *the Department of Defense implements the*  
12               *policy established by the Committee on National Se-*  
13               *curity Systems (formerly the National Security Tele-*  
14               *communications and Information Systems Security*  
15               *Committee) that limits the acquisition by the Federal*  
16               *Government of all commercial off-the-shelf informa-*  
17               *tion assurance and information assurance-enabled in-*  
18               *formation technology products to those products that*  
19               *have been evaluated and validated in accordance with*  
20               *appropriate criteria, schemes, or programs; and*

21               (2) *implementation of such policy includes uni-*  
22               *form enforcement procedures.*

1 **SEC. 354. INSTALLATION AND CONNECTION POLICY AND**  
2 **PROCEDURES REGARDING DEFENSE SWITCH**  
3 **NETWORK.**

4 (a) *ESTABLISHMENT OF POLICY AND PROCEDURES.*—  
5 *Not later than 180 days after the date of the enactment of*  
6 *this Act, the Secretary of Defense shall establish clear and*  
7 *uniform policy and procedures, applicable to the military*  
8 *departments and Defense Agencies, regarding the installa-*  
9 *tion and connection of telecom switches to the Defense*  
10 *Switch Network.*

11 (b) *ELEMENTS OF POLICY AND PROCEDURES.*—*The*  
12 *policy and procedures shall address at a minimum the fol-*  
13 *lowing:*

14 (1) *Clear interoperability and compatibility re-*  
15 *quirements for certifying, installing, and connecting*  
16 *telecom switches to the Defense Switch Network.*

17 (2) *Current, complete, and enforceable testing,*  
18 *validation, and certification procedures needed to en-*  
19 *sure the interoperability and compatibility require-*  
20 *ments are satisfied.*

21 (c) *EXCEPTIONS.*—(1) *The Secretary of Defense may*  
22 *specify certain circumstances in which—*

23 (A) *the requirements for testing, validation, and*  
24 *certification of telecom switches may be waived; or*

1           (B) *interim authority for the installation and*  
2           *connection of telecom switches to the Defense Switch*  
3           *Network may be granted.*

4           (2) *Only the Assistant Secretary of Defense for Com-*  
5           *mand, Control, Communications, and Intelligence, after*  
6           *consultation with the Chairman of the Joint Chiefs of Staff,*  
7           *may approve a waiver or grant of interim authority under*  
8           *paragraph (1).*

9           (d) *INVENTORY OF DEFENSE SWITCH NETWORK.—The*  
10          *Secretary of Defense shall prepare and maintain an inven-*  
11          *tory of all telecom switches that, as of the date on which*  
12          *the Secretary issues the policy and procedures—*

13               (1) *are installed or connected to the Defense*  
14          *Switch Network; but*

15               (2) *have not been tested, validated, and certified*  
16          *by the Defense Information Systems Agency (Joint*  
17          *Interoperability Test Center).*

18          (e) *TELECOM SWITCH DEFINED.—In this section, the*  
19          *term “telecom switch” means hardware or software designed*  
20          *to send and receive voice, data, and video signals across*  
21          *a network.*

1                   ***Subtitle G—Other Matters***

2   ***SEC. 361. DISTRIBUTION OF MONTHLY REPORTS ON ALLO-***  
 3                   ***CATION OF FUNDS WITHIN OPERATION AND***  
 4                   ***MAINTENANCE BUDGET SUBACTIVITIES.***

5           *(a) DESIGNATION OF RECIPIENTS.—Subsection (a) of*  
 6   *section 228 of title 10, United States Code, is amended by*  
 7   *striking “to Congress” and inserting “to the congressional*  
 8   *defense committees”.*

9           *(b) CONGRESSIONAL DEFENSE COMMITTEES DE-*  
 10   *FINED.—Subsection (e) of such section is amended—*

11           *(1) by striking “(e) O&M BUDGET ACTIVITY DE-*  
 12   *FINED.—For purposes of this section, the” and insert-*  
 13   *ing the following:*

14           *“(e) DEFINITIONS.—In this section:*

15           *“(1) The”; and*

16           *(2) by adding at the end the following:*

17           *“(2) The term ‘congressional defense committees’*  
 18   *means the Committee on Armed Services and the*  
 19   *Committee on Appropriations of the Senate and the*  
 20   *Committee on Armed Services and the Committee on*  
 21   *Appropriations of the House of Representatives.”.*

1 **SEC. 362. MINIMUM DEDUCTION FROM PAY OF CERTAIN**  
 2 **MEMBERS OF THE ARMED FORCES TO SUP-**  
 3 **PORT ARMED FORCES RETIREMENT HOME.**

4 *Section 1007(i) of title 37, United States Code, is*  
 5 *amended—*

6 *(1) in paragraph (1), by striking “an amount*  
 7 *(determined under paragraph (3)) not to exceed*  
 8 *\$1.00.” and inserting “an amount equal to \$1.00 and*  
 9 *such additional amount as may be determined under*  
 10 *paragraph (3).”; and*

11 *(2) in paragraph (3)—*

12 *(A) by striking “the amount” in the first*  
 13 *sentence and inserting “the additional amount”;*  
 14 *and*

15 *(B) by striking “The amount” in the second*  
 16 *sentence and inserting “The additional amount”.*

17 **SEC. 363. CONDITION ON CONVERSION OF DEFENSE SECU-**  
 18 **RITY SERVICE TO A WORKING CAPITAL FUND-**  
 19 **ED ENTITY.**

20 *The Secretary of Defense may not convert the Defense*  
 21 *Security Service to a working capital funded entity of the*  
 22 *Department of Defense unless the Secretary submits, in ad-*  
 23 *vance, to the Committee on Armed Services of the House*  
 24 *of Representatives and the Committee on Armed Services*  
 25 *of the Senate a certification that the Defense Security Serv-*  
 26 *ice has the financial systems in place to fully support oper-*

1 *ation of the Defense Security Service as a working capital*  
 2 *funded entity under section 2208 of title 10, United States*  
 3 *Code.*

4 **SEC. 364. CONTINUATION OF ARSENAL SUPPORT PROGRAM**  
 5 **INITIATIVE.**

6 (a) *EXTENSION THROUGH FISCAL YEAR 2004.*—Sub-  
 7 *section (a) of section 343 of the Floyd D. Spence National*  
 8 *Defense Authorization Act for Fiscal Year 2001 (as enacted*  
 9 *into law by Public Law 106–398; 114 Stat. 1654A–65) is*  
 10 *amended by striking “and 2002” and inserting “through*  
 11 *2004”.*

12 (b) *REPORTING REQUIREMENTS.*—Subsection (g) of  
 13 *such section is amended—*

14 (1) *in paragraph (1), by striking “2002” and in-*  
 15 *serting “2004”; and*

16 (2) *in paragraph (2), by striking the first sen-*  
 17 *tence and inserting the following new sentence: “Not*  
 18 *later than July 1, 2003, the Secretary of the Army*  
 19 *shall submit to the congressional defense committees a*  
 20 *report on the results of the demonstration program*  
 21 *since its implementation, including the Secretary’s*  
 22 *views regarding the benefits of the program for Army*  
 23 *manufacturing arsenals and the Department of the*  
 24 *Army and the success of the program in achieving the*  
 25 *purposes specified in subsection (b).”.*

1 **SEC. 365. TRAINING RANGE SUSTAINMENT PLAN, GLOBAL**  
2 **STATUS OF RESOURCES AND TRAINING SYS-**  
3 **TEM, AND TRAINING RANGE INVENTORY.**

4 (a) *PLAN REQUIRED.*—(1) *The Secretary of Defense*  
5 *shall develop a comprehensive plan for using existing au-*  
6 *thorities available to the Secretary of Defense and the Secre-*  
7 *taries of the military departments to address problems cre-*  
8 *ated by limitations on the use of military lands, marine*  
9 *areas, and airspace reserved, withdrawn, or designated for*  
10 *training and testing activities by, for, or on behalf of the*  
11 *Armed Forces.*

12 (2) *The plan shall include the following:*

13 (A) *Goals and milestones for tracking planned*  
14 *actions and measuring progress.*

15 (B) *Projected funding requirements for imple-*  
16 *menting planned actions.*

17 (C) *Designation of an office in the Office of the*  
18 *Secretary of Defense and each of the military depart-*  
19 *ments that will have lead responsibility for overseeing*  
20 *implementation of the plan.*

21 (3) *The Secretary of Defense shall submit the plan to*  
22 *Congress at the same time as the President submits the*  
23 *budget for fiscal year 2004 and shall submit an annual re-*  
24 *port to Congress describing the progress made in imple-*  
25 *menting the plan and any additional encroachment prob-*  
26 *lems.*

1       (b) *READINESS REPORTING IMPROVEMENT.*—Not later  
2   than June 30, 2003, the Secretary of Defense, using existing  
3   measures within the authority of the Secretary, shall submit  
4   to Congress a report on the plans of the Department of De-  
5   fense to improve the Global Status of Resources and Train-  
6   ing System—

7           (1) to better reflect the increasing challenges  
8       units of the Armed Forces must overcome to achieve  
9       training requirements; and

10          (2) to quantify the extent to which encroachment  
11       and other individual factors are making military  
12       lands, marine areas, and airspace less available to  
13       support unit accomplishment of training plans and  
14       readiness goals.

15       (c) *TRAINING RANGE INVENTORY.*—The Secretary of  
16   Defense shall develop and maintain a training range data  
17   bank for each of the Armed Forces—

18          (1) to identify all available operational training  
19       ranges;

20          (2) to identify all training capacities and capa-  
21       bilities available at each training range;

22          (3) to identify all current encroachment threats  
23       or other potential limitations on training that are, or  
24       are likely to, adversely affect training and readiness;  
25       and



1           (4) to provide a point of contact for each train-  
2           ing range.

3           (d) *GAO EVALUATION.*—(1) With respect to each re-  
4           port submitted under this section, the Comptroller General  
5           shall submit to Congress, within 60 days after receiving the  
6           report, an evaluation of the report.

7           (e) *ARMED FORCES DEFINED.*—In this section, the  
8           term “Armed Forces” means the Army, Navy, Air Force,  
9           and Marine Corps.

10   **SEC. 366. AMENDMENTS TO CERTAIN EDUCATION AND NU-**  
11                           **TRITION LAWS RELATING TO ACQUISITION**  
12                           **AND IMPROVEMENT OF MILITARY HOUSING.**

13           (a) *ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDU-*  
14           *CATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF*  
15           *MILITARY HOUSING.*—Section 8003(b)(2) of the *Elemen-*  
16           *tary and Secondary Education Act of 1965 (20 U.S.C.*  
17           *7703(b)(2)) is amended by adding at the end the following:*

18                           “(H) *ELIGIBILITY FOR HEAVILY IMPACTED*  
19                           *LOCAL EDUCATIONAL AGENCIES AFFECTED BY*  
20                           *PRIVATIZATION OF MILITARY HOUSING.*—

21                                   “(i) *ELIGIBILITY.*—For any fiscal year  
22                                   beginning with fiscal year 2003, a heavily  
23                                   impacted local educational agency that re-  
24                                   ceived a basic support payment under sub-  
25                                   paragraph (A) for the prior fiscal year, but

1            *is ineligible for such payment for the cur-*  
 2            *rent fiscal year under subparagraph (B) or*  
 3            *(C), as the case may be, by reason of the*  
 4            *conversion of military housing units to pri-*  
 5            *rate housing described in clause (iii), shall*  
 6            *be deemed to meet the eligibility require-*  
 7            *ments under subparagraph (B) or (C), as*  
 8            *the case may be, for the period during*  
 9            *which the housing units are undergoing*  
 10           *such conversion.*

11           “(ii) *AMOUNT OF PAYMENT.—The*  
 12           *amount of a payment to a heavily impacted*  
 13           *local educational agency for a fiscal year by*  
 14           *reason of the application of clause (i), and*  
 15           *calculated in accordance with subparagraph*  
 16           *(D) or (E) (as the case may be), shall be*  
 17           *based on the number of children in average*  
 18           *daily attendance in the schools of such*  
 19           *agency for the fiscal year.*

20           “(iii) *CONVERSION OF MILITARY HOUS-*  
 21           *ING UNITS TO PRIVATE HOUSING DE-*  
 22           *SCRIBED.—For purposes of clause (i), ‘con-*  
 23           *version of military housing units to private*  
 24           *housing’ means the conversion of military*  
 25           *housing units to private housing units pur-*

1                    *suant to subchapter IV of chapter 169 of*  
 2                    *title 10, United States Code, or pursuant to*  
 3                    *any other related provision of law.”.*

4            *(b) EXCLUSION OF CERTAIN MILITARY BASIC ALLOW-*  
 5            *ANCES FOR HOUSING FOR DETERMINATION OF ELIGIBILITY*  
 6            *FOR FREE AND REDUCED PRICE MEALS.—Section 9(b)(3)*  
 7            *of the Richard B. Russell National School Lunch Act (42*  
 8            *U.S.C. 1758(b)(3)) is amended by adding at the end the*  
 9            *following: “For the one-year period beginning on the date*  
 10           *of the enactment of this sentence, the amount of a basic al-*  
 11           *lowance provided under section 403 of title 37, United*  
 12           *States Code, on behalf of an individual who is a member*  
 13           *of the uniformed services for housing that is acquired or*  
 14           *constructed under the authority of subchapter IV of chapter*  
 15           *169 of title 10, United States Code, or any other related*  
 16           *provision of law, shall not be considered to be income for*  
 17           *purposes of determining the eligibility of a child of the indi-*  
 18           *vidual for free or reduced price lunches under this Act.”.*

19           ***TITLE IV—MILITARY PERSONNEL***  
 20           ***AUTHORIZATIONS***

21           ***Subtitle A—Active Forces***

22           ***SEC. 401. END STRENGTHS FOR ACTIVE FORCES.***

23           *The Armed Forces are authorized strengths for active*  
 24           *duty personnel as of September 30, 2003, as follows:*

25                    *(1) The Army, 484,800.*

1           (2) *The Navy, 379,457.*

2           (3) *The Marine Corps, 175,000.*

3           (4) *The Air Force, 360,795.*

4   **SEC. 402. REVISION IN PERMANENT END STRENGTH MIN-**  
 5                           **IMUM LEVELS.**

6           (a) *REVISED END STRENGTH FLOORS.*—Section  
 7   691(b) of title 10, United States Code, is amended—

8                   (1) *in paragraph (1), by striking “480,000” and*  
 9           *inserting “484,800”;*

10                  (2) *in paragraph (2), by striking “376,000” and*  
 11           *inserting “379,457”;*

12                  (3) *in paragraph (3), by striking “172,600” and*  
 13           *inserting “175,000”; and*

14                  (4) *in paragraph (4), by striking “358,800” and*  
 15           *inserting “360,795”.*

16           (b) *EFFECTIVE DATE.*—The amendments made by sub-  
 17   section (a) shall take effect on October 1, 2002, or the date  
 18   of the enactment of this Act, whichever is later.

19   **SEC. 403. AUTHORITY FOR MILITARY DEPARTMENT SECRE-**  
 20                           **TARIES TO INCREASE ACTIVE-DUTY END**  
 21                           **STRENGTHS BY UP TO 1 PERCENT.**

22           (a) *SERVICE SECRETARY AUTHORITY.*—Section 115 of  
 23   title 10, United States Code, is amended by inserting after  
 24   subsection (e) the following new subsection:

1       “(f) Upon determination by the Secretary of a mili-  
 2       tary department that such action would enhance manning  
 3       and readiness in essential units or in critical specialties  
 4       or ratings, the Secretary may increase the end strength au-  
 5       thorized pursuant to subsection (a)(1)(A) for a fiscal year  
 6       for the armed force under the jurisdiction of that Secretary  
 7       or, in the case of the Secretary of the Navy, for any of the  
 8       armed forces under the jurisdiction of that Secretary. Any  
 9       such increase for a fiscal year—

10               “(1) shall be by a number equal to not more  
 11       than 1 percent of such authorized end strength; and

12               “(2) shall be counted as part of the increase for  
 13       that armed force for that fiscal year authorized under  
 14       subsection (c)(1).”.

15       (b) *EFFECTIVE DATE.*—Subsection (f) of section 115  
 16       of title 10, United States Code, as added by subsection (a),  
 17       shall take effect on October 1, 2002, or the date of the enact-  
 18       ment of this Act, whichever is later.

19       **SEC. 404. GENERAL AND FLAG OFFICER MANAGEMENT.**

20       (a) *EXCLUSION OF SENIOR MILITARY ASSISTANT TO*  
 21       *THE SECRETARY OF DEFENSE FROM LIMITATION ON AC-*  
 22       *TIVE DUTY OFFICERS IN GRADES ABOVE MAJOR GENERAL*  
 23       *AND REAR ADMIRAL.*—Effective on the date specified in  
 24       subsection (e), section 525(b) of title 10, United States Code,

1 *is amended by adding at the end the following new para-*  
 2 *graph:*

3       “(8) *An officer while serving in a position designated*  
 4 *by the Secretary of Defense as Senior Military Assistant*  
 5 *to the Secretary of Defense, if serving in the grade of lieu-*  
 6 *tenant general or vice admiral, is in addition to the number*  
 7 *that otherwise would be permitted for that officer’s armed*  
 8 *force for that grade under paragraph (1) or (2). Only one*  
 9 *officer may be designated as Senior Military Assistant to*  
 10 *the Secretary of Defense for purposes of this paragraph.”.*

11       **(b) INCREASE IN NUMBER OF LIEUTENANT GENERALS**  
 12 **AUTHORIZED FOR THE MARINE CORPS.**—*Effective on the*  
 13 *date specified in subsection (e), paragraph (2)(B) of such*  
 14 *section is amended by striking “16.2 percent” and inserting*  
 15 *“17.5 percent”.*

16       **(c) GRADE OF CHIEF OF VETERINARY CORPS OF THE**  
 17 **ARMY.**—(1) *Effective on the date specified in subsection (e),*  
 18 *chapter 307 of such title is amended by adding at the end*  
 19 *the following new section:*

20 **“§ 3084. Chief of Veterinary Corps: grade**

21       *“The Chief of the Veterinary Corps of the Army serves*  
 22 *in the grade of brigadier general. An officer appointed to*  
 23 *that position who holds a lower grade shall be appointed*  
 24 *in the grade of brigadier general.”.*

1       (2) *The table of sections at the beginning of such chap-*  
 2 *ter is amended by adding at the end the following new item:*

      “3084. *Chief of Veterinary Corps: grade.*”.

3       (d) *REVIEW OF ACTIVE DUTY AND RESERVE GENERAL*  
 4 *AND FLAG OFFICER AUTHORIZATIONS.*—(1) *The Secretary*  
 5 *of Defense shall submit to Congress a report containing any*  
 6 *recommendations of the Secretary (together with the ration-*  
 7 *ale of the Secretary for the recommendations) concerning*  
 8 *the following:*

9           (A) *Revision of the limitations on general and*  
 10 *flag officer grade authorizations and distribution in*  
 11 *grade prescribed by sections 525, 526, and 12004 of*  
 12 *title 10, United States Code.*

13           (B) *Statutory designation of the positions and*  
 14 *grades of any additional general and flag officers in*  
 15 *the commands specified in chapter 1006 of title 10,*  
 16 *United States Code, and the reserve component offices*  
 17 *specified in sections 3038, 5143, 5144, and 8038 of*  
 18 *such title.*

19       (2) *The provisions of subsection (b) through (e) of sec-*  
 20 *tion 1213 of the National Defense Authorization Act for Fis-*  
 21 *cal Year 1997 (Public Law 104–201; 110 Stat. 2694) shall*  
 22 *apply to the report under paragraph (1) in the same man-*  
 23 *ner as they applied to the report required by subsection (a)*  
 24 *of that section.*

1       (e) *EFFECTIVE DATE.*—*The amendments made by sub-*  
 2       *sections (a), (b), and (c) shall take effect on the date of the*  
 3       *receipt by Congress of the report required by subsection (d).*

4       **SEC. 405. EXTENSION OF CERTAIN AUTHORITIES RELATING**  
 5                       **TO MANAGEMENT OF NUMBERS OF GENERAL**  
 6                       **AND FLAG OFFICERS IN CERTAIN GRADES.**

7       (a) *SENIOR JOINT OFFICER POSITIONS.*—*Section*  
 8       *604(c) of title 10, United States Code, is amended by strik-*  
 9       *ing “September 30, 2003” and inserting “December 31,*  
 10       *2004”.*

11       (b) *DISTRIBUTION OF OFFICERS ON ACTIVE DUTY IN*  
 12       *GENERAL AND FLAG OFFICER GRADES.*—*Section*  
 13       *525(b)(5)(C) of such title is amended by striking “Sep-*  
 14       *tember 30, 2003” and inserting “December 31, 2004”.*

15       (c) *AUTHORIZED STRENGTH FOR GENERAL AND FLAG*  
 16       *OFFICERS ON ACTIVE DUTY.*—*Section 526(b)(3) of such*  
 17       *title is amended by striking “October 1, 2002” and insert-*  
 18       *ing “December 31, 2004”.*

19                       ***Subtitle B—Reserve Forces***

20       **SEC. 411. END STRENGTHS FOR SELECTED RESERVE.**

21       (a) *IN GENERAL.*—*The Armed Forces are authorized*  
 22       *strengths for Selected Reserve personnel of the reserve com-*  
 23       *ponents as of September 30, 2003, as follows:*

24                       (1) *The Army National Guard of the United*  
 25       *States, 350,000.*



1           (2) *The Army Reserve, 205,000.*

2           (3) *The Naval Reserve, 87,800.*

3           (4) *The Marine Corps Reserve, 39,558.*

4           (5) *The Air National Guard of the United*  
5       *States, 106,600.*

6           (6) *The Air Force Reserve, 75,600.*

7           (7) *The Coast Guard Reserve, 9,000.*

8       (b) *ADJUSTMENTS.—The end strengths prescribed by*  
9       *subsection (a) for the Selected Reserve of any reserve compo-*  
10       *nent shall be proportionately reduced by—*

11           (1) *the total authorized strength of units orga-*  
12       *nized to serve as units of the Selected Reserve of such*  
13       *component which are on active duty (other than for*  
14       *training) at the end of the fiscal year; and*

15           (2) *the total number of individual members not*  
16       *in units organized to serve as units of the Selected*  
17       *Reserve of such component who are on active duty*  
18       *(other than for training or for unsatisfactory partici-*  
19       *pation in training) without their consent at the end*  
20       *of the fiscal year.*

21       *Whenever such units or such individual members are re-*  
22       *leased from active duty during any fiscal year, the end*  
23       *strength prescribed for such fiscal year for the Selected Re-*  
24       *serve of such reserve component shall be proportionately in-*

1 *creased by the total authorized strengths of such units and*  
 2 *by the total number of such individual members.*

3 **SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE**  
 4 **DUTY IN SUPPORT OF THE RESERVES.**

5 *Within the end strengths prescribed in section 411(a),*  
 6 *the reserve components of the Armed Forces are authorized,*  
 7 *as of September 30, 2003, the following number of Reserves*  
 8 *to be serving on full-time active duty or full-time duty, in*  
 9 *the case of members of the National Guard, for the purpose*  
 10 *of organizing, administering, recruiting, instructing, or*  
 11 *training the reserve components:*

12 *(1) The Army National Guard of the United*  
 13 *States, 24,562.*

14 *(2) The Army Reserve, 14,070.*

15 *(3) The Naval Reserve, 14,572.*

16 *(4) The Marine Corps Reserve, 2,261.*

17 *(5) The Air National Guard of the United*  
 18 *States, 11,697.*

19 *(6) The Air Force Reserve, 1,498.*

20 **SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS**  
 21 **(DUAL STATUS).**

22 *The minimum number of military technicians (dual*  
 23 *status) as of the last day of fiscal year 2003 for the reserve*  
 24 *components of the Army and the Air Force (notwith-*

1 *standing section 129 of title 10, United States Code) shall*  
 2 *be the following:*

3           (1) *For the Army National Guard of the*  
 4 *United States, 24,102.*

5           (2) *For the Army Reserve, 6,599.*

6           (3) *For the Air National Guard of the*  
 7 *United States, 22,495.*

8           (4) *For the Air Force Reserve, 9,911.*

9 **SEC. 414. FISCAL YEAR 2003 LIMITATION ON NON-DUAL STA-**  
 10 **TUS TECHNICIANS.**

11       (a) *ARMY.—The number of non-dual status techni-*  
 12 *cians employed by the reserve components of the Army as*  
 13 *of September 30, 2003, may not exceed the following:*

14           (1) *For the Army Reserve, 995.*

15           (2) *For the Army National Guard of the United*  
 16 *States, 1,600, to be counted within the limitation*  
 17 *specified in section 10217(c)(2) of title 10, United*  
 18 *States Code.*

19       (b) *AIR FORCE.—The number of non-dual status tech-*  
 20 *nicians employed by the reserve components of the Army*  
 21 *and the Air Force as of September 30, 2003, may not exceed*  
 22 *the following:*

23           (1) *For the Air Force Reserve, 90.*

24           (2) *For the Air National Guard of the United*  
 25 *States, 350, to be counted within the limitation speci-*

1        *fied in section 10217(c)(2) of title 10, United States*  
 2        *Code.*

3        *(c) NON-DUAL STATUS TECHNICIANS DEFINED.—In*  
 4        *this section, the term “non-dual status technician” has the*  
 5        *meaning given that term in section 10217(a) of title 10,*  
 6        *United States Code.*

7        *(d) TECHNICAL AMENDMENTS.—Effective October 1,*  
 8        *2002, section 10217(c)(2) of title 10, United States Code,*  
 9        *is amended—*

10                *(1) in the first sentence, by striking “Effective*  
 11                *October 1, 2002, the” and inserting “The”; and*

12                *(2) in the second sentence, by striking “after the*  
 13                *preceding sentence takes effect”.*

14                ***Subtitle C—Authorization of***  
 15                ***Appropriations***

16        ***SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-***  
 17        ***TARY PERSONNEL.***

18        *There is hereby authorized to be appropriated to the*  
 19        *Department of Defense for military personnel for fiscal year*  
 20        *2003 a total of \$93,725,028,000. The authorization in the*  
 21        *preceding sentence supersedes any other authorization of*  
 22        *appropriations (definite or indefinite) for such purpose for*  
 23        *fiscal year 2003.*

1 ***TITLE V—MILITARY PERSONNEL***  
 2 ***POLICY***

3 ***SEC. 501. INCREASE IN NUMBER OF DEPUTY***  
 4 ***COMMANDANTS OF THE MARINE CORPS.***

5 *Section 5045 of title 10, United States Code, is amend-*  
 6 *ed by striking “five” and inserting “six”.*

7 ***SEC. 502. EXTENSION OF GOOD-OF-THE-SERVICE WAIVER***  
 8 ***AUTHORITY FOR OFFICERS APPOINTED TO A***  
 9 ***RESERVE CHIEF OR GUARD DIRECTOR POSI-***  
 10 ***TION.***

11 *(a) WAIVER OF REQUIREMENT FOR SIGNIFICANT*  
 12 *JOINT DUTY EXPERIENCE.—Sections 3038(b)(4),*  
 13 *5143(b)(4), 5144(b)(4), 8038(b)(4), and 10506(a)(3)(D) of*  
 14 *title 10, United States Code, are each amended by striking*  
 15 *“October 1, 2003” and inserting “December 31, 2004”.*

16 *(b) REPORT ON FUTURE IMPLEMENTATION OF RE-*  
 17 *QUIREMENT.—Not later than one year after the date of the*  
 18 *enactment of this Act, the Secretary of Defense shall submit*  
 19 *to the Committee on Armed Services of the Senate and the*  
 20 *Committee on Armed Services of the House of Representa-*  
 21 *tives a report setting forth the steps being taken (and pro-*  
 22 *posed to be taken) by the Secretary, the Secretaries of the*  
 23 *military departments, and the Chairman of the Joint Chiefs*  
 24 *of Staff to ensure that no further extension of the waiver*  
 25 *authority under the sections amended by subsection (a) is*

1 *required and that after December 31, 2004, appointment*  
 2 *of officers to serve in the positions covered by those sections*  
 3 *shall be made from officers with the requisite joint duty ex-*  
 4 *perience.*

5       ***Subtitle B—Reserve Component***  
 6               ***Management***

7       ***SEC. 511. REVIEWS OF NATIONAL GUARD STRENGTH AC-***  
 8               ***COUNTING AND MANAGEMENT AND OTHER***  
 9               ***ISSUES.***

10       *(a) COMPTROLLER GENERAL ASSESSMENTS.—Not*  
 11 *later than one year after the date of the enactment of this*  
 12 *Act, the Comptroller General shall submit to Congress a re-*  
 13 *port on management of the National Guard. The report*  
 14 *shall include the following:*

15               *(1) The Comptroller General’s assessment of the*  
 16 *effectiveness of the implementation of Department of*  
 17 *Defense plans for improving management and ac-*  
 18 *counting for personnel strengths in the National*  
 19 *Guard, including an assessment of the process that*  
 20 *the Department of Defense, the National Guard Bu-*  
 21 *reau, the Army National Guard and State-level Na-*  
 22 *tional Guard leadership, and leadership in the other*  
 23 *reserve components have for identifying and address-*  
 24 *ing in a timely manner specific units in which non-*

1        *participation rates are significantly in excess of the*  
2        *established norms.*

3            *(2) The Comptroller General's assessment of the*  
4        *effectiveness of the process for Federal recognition of*  
5        *senior National Guard officers and recommendations*  
6        *for improvement to that process.*

7            *(3) The Comptroller General's assessment of the*  
8        *process for, and the nature and extent of, the admin-*  
9        *istrative or judicial corrective action taken by the*  
10       *Secretary of Defense, the Secretary of the Army, and*  
11       *the Secretary of the Air Force as a result of Inspector*  
12       *General investigations or other investigations in*  
13       *which allegations against senior National Guard offi-*  
14       *cers are substantiated in whole or in part.*

15           *(4) The Comptroller General's determination of*  
16        *the effectiveness of the Federal protections provided*  
17        *for members or employees of the National Guard who*  
18        *report allegations of waste, fraud, abuse, or mis-*  
19        *management and the nature and extent to which cor-*  
20        *rective action is taken against those in the National*  
21        *Guard who retaliate against such members or employ-*  
22        *ees.*

23        *(b) SECRETARY OF DEFENSE REPORT ON DIFFERENT*  
24        *ARMY AND AIR FORCE PROCEDURES.—Not later than six*  
25        *months after the date of the enactment of this Act, the Sec-*

1 *retary of Defense shall submit to Congress a report on the*  
 2 *differing Army and Air Force policies for taking adverse*  
 3 *administrative actions against National Guard officers in*  
 4 *a State status. The report shall include the Secretary's de-*  
 5 *termination as to whether changes should be made in those*  
 6 *policies, especially through requiring the Air Force to adopt*  
 7 *the same policy as the Army for such administrative ac-*  
 8 *tions.*

9 **SEC. 512. COURTS-MARTIAL FOR THE NATIONAL GUARD**  
 10 **WHEN NOT IN FEDERAL SERVICE.**

11 (a) *MANNER OF PRESCRIBING PUNISHMENTS.*—Sec-  
 12 *tion 326 of title 32, United States Code, is amended by add-*  
 13 *ing at the end the following new sentence: "Punishments*  
 14 *shall be as provided by the laws of the respective States and*  
 15 *Territories, Puerto Rico, and the District of Columbia."*

16 (b) *CONVENING AUTHORITY.*—Section 327 of such title  
 17 *is amended to read as follows:*

18 **"§ 327. Courts-martial of National Guard not in Fed-**  
 19 **eral service: convening authority**

20 *"(a) In the National Guard not in Federal service,*  
 21 *general, special, and summary courts-martial may be con-*  
 22 *vened as provided by the laws of the States and Territories,*  
 23 *Puerto Rico, and the District of Columbia.*



1       “(b) *In addition to convening authorities as provided*  
 2 *under subsection (a), in the National Guard not in Federal*  
 3 *service—*

4               “(1) *general courts-martial may be convened by*  
 5 *the President;*

6               “(2) *special courts-martial may be convened—*

7                       “(A) *by the commanding officer of a garri-*  
 8 *son, fort, post, camp, air base, auxiliary air*  
 9 *base, or other place where troops are on duty; or*

10                      “(B) *by the commanding officer of a divi-*  
 11 *sion, brigade, regiment, wing, group, detached*  
 12 *battalion, separate squadron, or other detached*  
 13 *command; and*

14               “(3) *summary courts-martial may be*  
 15 *convened—*

16                      “(A) *by the commanding officer of a garri-*  
 17 *son, fort, post, camp, air base, auxiliary air*  
 18 *base, or other place where troops are on duty; or*

19                      “(B) *by the commanding officer of a divi-*  
 20 *sion, brigade, regiment, wing, group, detached*  
 21 *battalion, detached squadron, detached company,*  
 22 *or other detachment.”.*

23       (2) *The item relating to such section in the table of*  
 24 *sections at the beginning of chapter 3 of such title is amend-*  
 25 *ed to read as follows:*

*“327. Courts-martial of National Guard not in Federal service: convening authority.”.*

1       (c) *REPEAL OF SUPERSEDED AND OBSOLETE PROVI-*  
2 *SIONS.—*

3           (1) *Sections 328, 329, 330, 331, 332, and 333 of*  
4 *title 32, United States Code, are repealed.*

5           (2) *The table of sections at the beginning of*  
6 *chapter 3 of such title is amended by striking the*  
7 *items relating to sections 328, 329, 330, 331, 332, and*  
8 *333.*

9       (d) *PREPARATION OF MODEL STATE CODE OF MILI-*  
10 *TARY JUSTICE AND MODEL STATE MANUAL FOR COURTS-*  
11 *MARTIAL.—(1) The Secretary of Defense shall prepare, for*  
12 *consideration for enactment by the States, a model State*  
13 *code of military justice and a model State manual of courts-*  
14 *martial for use with respect to the National Guard not in*  
15 *Federal service. Both such models shall be consistent with*  
16 *the recommendations contained in the report, issued in*  
17 *1998, by the panel known as the Department of Defense*  
18 *Panel to Study Military Justice in the National Guard not*  
19 *in Federal Service.*

20       (2) *The Secretary shall ensure that adequate support*  
21 *for the preparation of such model State code and model*  
22 *State manual (including the detailing of attorneys and*  
23 *other staff) is provided by the General Counsel of the De-*  
24 *partment of Defense, the Secretary of the Army, the Sec-*

1 *retary of the Air Force, and the Chief of the National Guard*  
2 *Bureau.*

3       (3) *If the amounts available to the Chief of the Na-*  
4 *tional Guard Bureau are not adequate for the costs required*  
5 *to provide support under paragraph (2) (including costs for*  
6 *increased pay when members of the National Guard are or-*  
7 *dered to active duty, cost of detailed attorneys and other*  
8 *staff, allowances, and travel expenses), the Secretary shall,*  
9 *upon request of the Chief of the Bureau, provide such addi-*  
10 *tional amounts as are necessary.*

11       (4) *Not later than one year after the date of the enact-*  
12 *ment of this Act, the Secretary shall submit to the Com-*  
13 *mittee on Armed Services of the Senate and the Committee*  
14 *on Armed Services of the House of Representatives a report*  
15 *on the implementation of this subsection. The report shall*  
16 *include proposals in final form of both the model State code*  
17 *and the model State manual required by paragraph (1) and*  
18 *shall set forth the efforts being made to present those pro-*  
19 *posals to the States for their consideration for enactment.*

20       (5) *In this subsection, the term “State” includes the*  
21 *District of Columbia, the Commonwealth of Puerto Rico,*  
22 *the Virgin Islands, and Guam.*

1 **SEC. 513. MATCHING FUNDS REQUIREMENTS UNDER NA-**  
 2 **TIONAL GUARD YOUTH CHALLENGE PRO-**  
 3 **GRAM.**

4 *Effective October 1, 2002, subsection (d) of section 509*  
 5 *of title 32, United States Code, is amended to read as fol-*  
 6 *lows:*

7 *“(d) MATCHING FUNDS REQUIRED.—The amount of*  
 8 *assistance provided under this section to a State program*  
 9 *of the National Guard Challenge Program for a fiscal year*  
 10 *may not exceed 75 percent of the costs of operating the State*  
 11 *program during that fiscal year.”.*

12 ***Subtitle C—Reserve Component***  
 13 ***Officer Personnel Policy***

14 **SEC. 521. EXEMPTION FROM ACTIVE STATUS STRENGTH**  
 15 **LIMITATION FOR RESERVE COMPONENT GEN-**  
 16 **ERAL AND FLAG OFFICERS SERVING ON AC-**  
 17 **TIVE DUTY IN CERTAIN JOINT DUTY ASSIGN-**  
 18 **MENTS DESIGNATED BY THE CHAIRMAN OF**  
 19 **THE JOINT CHIEFS OF STAFF.**

20 *Section 12004 of title 10, United States Code, is*  
 21 *amended by adding at the end the following new subsection:*

22 *“(f)(1) A general or flag officer who is on active duty*  
 23 *but who is not counted under section 526(a) of this title*  
 24 *by reason of section 526(b)(2)(B) of this title shall also be*  
 25 *excluded from being counted under subsection (a).*

1       “(2) *This subsection shall cease to be effective on the*  
 2 *date specified in section 526(b)(3) of this title.*”.

3       **SEC. 522. ELIGIBILITY FOR CONSIDERATION FOR PRO-**  
 4                   **MOTION TO GRADE OF MAJOR GENERAL FOR**  
 5                   **CERTAIN RESERVE COMPONENT BRIGADIER**  
 6                   **GENERALS WHO DO NOT OTHERWISE QUAL-**  
 7                   **IFY FOR CONSIDERATION FOR PROMOTION**  
 8                   **UNDER THE ONE-YEAR RULE.**

9       *Section 14301(g) of title 10, United States Code, is*  
 10 *amended to read as follows:*

11       “(g) *BRIGADIER GENERALS.—(1) An officer who is a*  
 12 *reserve component brigadier general of the Army or the Air*  
 13 *Force who is not eligible for consideration for promotion*  
 14 *under subsection (a) because the officer is not on the reserve*  
 15 *active status list (as required by paragraph (1) of that sub-*  
 16 *section for such eligibility) is nevertheless eligible for consid-*  
 17 *eration for promotion to the grade of major general by a*  
 18 *promotion board convened under section 14101(a) of this*  
 19 *title if—*

20               “(A) *as of the date of the convening of the pro-*  
 21 *motion board, the officer has been in an inactive sta-*  
 22 *tus for less than one year; and*

23               “(B) *immediately before the date of the officer’s*  
 24 *most recent transfer to an inactive status, the officer*  
 25 *had continuously served on the reserve active status*

1       *list or the active-duty list (or a combination of the re-*  
2       *serve active status list and the active-duty list) for at*  
3       *least one year.*

4       “(2) *An officer who is a reserve component brigadier*  
5       *general of the Army or the Air Force who is on the reserve*  
6       *active status list but who is not eligible for consideration*  
7       *for promotion under subsection (a) because the officer’s serv-*  
8       *ice does not meet the one-year-of-continuous-service require-*  
9       *ment under paragraph (2) of that subsection is nevertheless*  
10       *eligible for consideration for promotion to the grade of*  
11       *major general by a promotion board convened under section*  
12       *14101(a) of this title if—*

13               “(A) *the officer was transferred from an inactive*  
14       *status to the reserve active status list during the one-*  
15       *year period preceding the date of the convening of the*  
16       *promotion board;*

17               “(B) *immediately before the date of the officer’s*  
18       *most recent transfer to an active status, the officer*  
19       *had been in an inactive status for less than one year;*  
20       *and*

21               “(C) *immediately before the date of the officer’s*  
22       *most recent transfer to an inactive status, the officer*  
23       *had continuously served for at least one year on the*  
24       *reserve active status list or the active-duty list (or a*

1       *combination of the reserve active status list and the*  
 2       *active-duty list).”.*

3   **SEC. 523. RETENTION OF PROMOTION ELIGIBILITY FOR RE-**  
 4                   **SERVE COMPONENT GENERAL AND FLAG OF-**  
 5                   **FICERS TRANSFERRED TO AN INACTIVE STA-**  
 6                   **TUS.**

7       *Section 14317 of title 10, United States Code, is*  
 8       *amended by adding at the end the following new subsection:*

9       “(f) *EFFECT OF TRANSFER OF OFFICERS IN PAY*  
 10    *GRADE O–7 TO INACTIVE STATUS.*—Notwithstanding sub-  
 11    *section (a), if a reserve officer on the active-status list in*  
 12    *the grade of brigadier general or rear admiral (lower half)*  
 13    *is transferred to an inactive status after having been rec-*  
 14    *ommended for promotion to the grade of major general or*  
 15    *rear admiral under this chapter, or after having been found*  
 16    *qualified for Federal recognition in the grade of major gen-*  
 17    *eral under title 32, but before being promoted, the officer*  
 18    *shall retain promotion eligibility and, if otherwise quali-*  
 19    *fied, may be promoted to the higher grade after returning*  
 20    *to an active status.”.*

1 **SEC. 524. AUTHORITY FOR LIMITED EXTENSION OF MED-**  
 2 **ICAL DEFERMENT OF MANDATORY RETIRE-**  
 3 **MENT OR SEPARATION FOR RESERVE OFFI-**  
 4 **CERS.**

5 (a) *DEFERMENT OF RETIREMENT OR SEPARATION FOR*  
 6 *MEDICAL REASONS.*—Chapter 1407 of title 10, United  
 7 States Code, is amended by adding at the end the following  
 8 new section:

9 **“§14519. Deferral of retirement or separation for**  
 10 **medical reasons**

11 “(a) *If the Secretary of the military department con-*  
 12 *cerned determines that the evaluation of the physical condi-*  
 13 *tion of a Reserve officer and determination of the officer’s*  
 14 *entitlement to retirement or separation for physical dis-*  
 15 *ability require hospitalization or medical observation and*  
 16 *that such hospitalization or medical observation cannot be*  
 17 *completed with confidence in a manner consistent with the*  
 18 *officer’s well-being before the date on which the officer would*  
 19 *otherwise be required to be separated, retired, or transferred*  
 20 *to the Retired Reserve under this title, the Secretary may*  
 21 *defer the separation, retirement, or transfer of the officer*  
 22 *under this title.*

23 “(b) *A deferral under subsection (a) of separation, re-*  
 24 *tirement, or transfer to the Retired Reserve may not extend*  
 25 *for more than 30 days after completion of the evaluation*  
 26 *requiring hospitalization or medical observation.”.*



1       (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of such chapter is amended by adding at the*  
 3 *end the following new item:*

*“14519. Deferment of retirement or separation for medical reasons.”.*

4                   ***Subtitle D—Education and***  
 5                   ***Training***

6 ***SEC. 531. AUTHORITY FOR PHASED INCREASE TO 4,400 IN***  
 7                   ***AUTHORIZED STRENGTHS FOR THE SERVICE***  
 8                   ***ACADEMIES.***

9       (a) *MILITARY ACADEMY.*—*Section 4342 of title 10,*  
 10 *United States Code, is amended—*

11               (1) *in subsection (a), by inserting before the pe-*  
 12 *riod at the end of the first sentence the following: “or*  
 13 *such higher number as may be prescribed by the Sec-*  
 14 *retary of the Army under subsection (j)”;* and

15               (2) *by adding at the end the following new sub-*  
 16 *section:*

17       “(j)(1) *Beginning with the 2003–2004 academic year,*  
 18 *the Secretary of the Army may prescribe annual increases*  
 19 *in the cadet strength limit in effect under subsection (a).*  
 20 *For any academic year, any such increase shall be by no*  
 21 *more than 100 cadets or such lesser number as applies*  
 22 *under paragraph (3) for that year. Such annual increases*  
 23 *may be prescribed until the cadet strength limit is 4,400.*  
 24 *However, no increase may be prescribed for any academic*  
 25 *year after the 2007–2008 academic year.*

1       “(2) *Any increase in the cadet strength limit under*  
2 *paragraph (1) with respect to an academic year shall be*  
3 *prescribed not later than the date on which the budget of*  
4 *the President is submitted to Congress under section 1105*  
5 *of title 31 for the fiscal year beginning in the same year*  
6 *as the year in which that academic year begins. Whenever*  
7 *the Secretary prescribes such an increase, the Secretary*  
8 *shall submit to Congress a notice in writing of the increase.*  
9 *The notice shall state the amount of the increase in the cadet*  
10 *strength limit and the new cadet strength limit, as so in-*  
11 *creased, and the amount of the increase in Senior Army*  
12 *Reserve Officers’ Training Corps enrollment under each of*  
13 *sections 2104 and 2107 of this title.*

14       “(3) *The amount of an increase under paragraph (1)*  
15 *in the cadet strength limit for an academic year may not*  
16 *exceed the increase (if any) for the preceding academic year*  
17 *in the total number of cadets enrolled in the Army Senior*  
18 *Reserve Officers’ Training Corps program under chapter*  
19 *103 of this title who have entered into an agreement under*  
20 *section 2104 or 2107 of this title.*

21       “(4) *In this subsection, the term ‘cadet strength limit’*  
22 *means the authorized maximum strength of the Corps of*  
23 *Cadets of the Academy.”.*

24       (b) *NAVAL ACADEMY.—Section 6954 of title 10, United*  
25 *States Code, is amended—*

1           (1) in subsection (a), by inserting before the pe-  
2       riod at the end of the first sentence the following: “or  
3       such higher number as may be prescribed by the Sec-  
4       retary of the Navy under subsection (h)”;

5           (2) by adding at the end the following new sub-  
6       section:

7       “(h)(1) Beginning with the 2003–2004 academic year,  
8       the Secretary of the Navy may prescribe annual increases  
9       in the midshipmen strength limit in effect under subsection  
10      (a). For any academic year, any such increase shall be by  
11      no more than 100 midshipmen or such lesser number as  
12      applies under paragraph (3) for that year. Such annual  
13      increases may be prescribed until the midshipmen strength  
14      limit is 4,400. However, no increase may be prescribed for  
15      any academic year after the 2007–2008 academic year.

16      “(2) Any increase in the midshipmen strength limit  
17      under paragraph (1) with respect to an academic year shall  
18      be prescribed not later than the date on which the budget  
19      of the President is submitted to Congress under section 1105  
20      of title 31 for the fiscal year beginning in the same year  
21      as the year in which that academic year begins. Whenever  
22      the Secretary prescribes such an increase, the Secretary  
23      shall submit to Congress a notice in writing of the increase.  
24      The notice shall state the amount of the increase in the mid-  
25      shipmen strength limit and the new midshipmen strength

1 *limit, as so increased, and the amount of the increase in*  
 2 *Senior Navy Reserve Officers' Training Corps enrollment*  
 3 *under each of sections 2104 and 2107 of this title.*

4       “(3) *The amount of an increase under paragraph (1)*  
 5 *in the midshipmen strength limit for an academic year*  
 6 *may not exceed the increase (if any) for the preceding aca-*  
 7 *demic year in the total number of midshipmen enrolled in*  
 8 *the Navy Senior Reserve Officers' Training Corps program*  
 9 *under chapter 103 of this title who have entered into an*  
 10 *agreement under section 2104 or 2107 of this title.*

11       “(4) *In this subsection, the term ‘midshipmen strength*  
 12 *limit’ means the authorized maximum strength of the Bri-*  
 13 *gade of Midshipmen.’.*”

14       (c) *AIR FORCE ACADEMY.*—Section 9342 of title 10,  
 15 *United States Code, is amended—*

16           (1) *in subsection (a), by inserting before the pe-*  
 17 *riod at the end of the first sentence the following: “or*  
 18 *such higher number as may be prescribed by the Sec-*  
 19 *retary of the Air Force under subsection (j)”;* and

20           (2) *by adding at the end the following new sub-*  
 21 *section:*

22       “(j)(1) *Beginning with the 2003–2004 academic year,*  
 23 *the Secretary of the Air Force may prescribe annual in-*  
 24 *creases in the cadet strength limit in effect under subsection*  
 25 *(a). For any academic year, any such increase shall be by*

1 *no more than 100 cadets or such lesser number as applies*  
2 *under paragraph (3) for that year. Such annual increases*  
3 *may be prescribed until the cadet strength limit is 4,400.*  
4 *However, no increase may be prescribed for any academic*  
5 *year after the 2007–2008 academic year.*

6       “(2) *Any increase in the cadet strength limit under*  
7 *paragraph (1) with respect to an academic year shall be*  
8 *prescribed not later than the date on which the budget of*  
9 *the President is submitted to Congress under sections 1105*  
10 *of title 31 for the fiscal year beginning in the same year*  
11 *as the year in which that academic year begins. Whenever*  
12 *the Secretary prescribes such an increase, the Secretary*  
13 *shall submit to Congress a notice in writing of the increase.*  
14 *The notice shall state the amount of the increase in the cadet*  
15 *strength limit and the new cadet strength limit, as so in-*  
16 *creased, and the amount of the increase in Senior Air Force*  
17 *Reserve Officers’ Training Corps enrollment under each of*  
18 *sections 2104 and 2107 of this title.*

19       “(3) *The amount of an increase under paragraph (1)*  
20 *in the cadet strength limit for an academic year may not*  
21 *exceed the increase (if any) for the preceding academic year*  
22 *in the total number of cadets enrolled in the Air Force Sen-*  
23 *ior Reserve Officers’ Training Corps program under chap-*  
24 *ter 103 of this title who have entered into an agreement*  
25 *under section 2104 or 2107 of this title.*

1       “(4) *In this subsection, the term ‘cadet strength limit’*  
2 *means the authorized maximum strength of Air Force Ca-*  
3 *dets of the Academy.’.*”

4       (d) *TARGET FOR INCREASES IN NUMBER OF ROTC*  
5 *SCHOLARSHIP PARTICIPANTS.*—Section 2107 of such title  
6 *is amended by adding at the end the following new sub-*  
7 *section:*

8       “(i) *The Secretary of each military department shall*  
9 *seek to achieve an increase in the number of agreements*  
10 *entered into under this section so as to achieve an increase,*  
11 *by the 2006–2007 academic year, of not less than 400 in*  
12 *the number of cadets or midshipmen, as the case may be,*  
13 *enrolled under this section, compared to such number en-*  
14 *rolled for the 2002–2003 academic year. In the case of the*  
15 *Secretary of the Navy, the Secretary shall seek to ensure*  
16 *that not less than one-third of such increase in agreements*  
17 *under this section are with students enrolled (or seeking to*  
18 *enroll) in programs of study leading to a baccalaureate de-*  
19 *gree in nuclear engineering or another appropriate tech-*  
20 *nical, scientific, or engineering field of study.’.*”

21       (e) *REPEAL OF LIMIT ON NUMBER OF ROTC SCHOL-*  
22 *ARSHIPS.*—Section 2107 of such title is further amended  
23 *by striking the first sentence of subsection (h)(1).*

1       (f) *REPEAL OF OBSOLETE LANGUAGE.*—Section  
2 4342(i) of such title is amended by striking “(beginning  
3 with the 2001–2002 academic year)”.

4 **SEC. 532. ENHANCEMENT OF RESERVE COMPONENT DE-**  
5 **LAYED TRAINING PROGRAM.**

6       (a) *INCREASE IN TIME FOLLOWING ENLISTMENT FOR*  
7 *COMMENCEMENT OF INITIAL PERIOD OF ACTIVE DUTY FOR*  
8 *TRAINING.*—Section 12103(d) of title 10, United States  
9 Code, is amended by striking “270 days” in the last sen-  
10 tence and inserting “one year”.

11       (b) *EFFECTIVE DATE.*—The amendment made by sub-  
12 section (a) shall apply with respect to enlistments under  
13 section 12103(d) of title 10, United States Code, after the  
14 end of the 90–day period beginning on the date of the enact-  
15 ment of this Act.

16       (c) *TRANSITION.*—In the case of a person who enlisted  
17 under section 12103(d) of title 10, United States Code, be-  
18 fore the date of the enactment of this Act and who as of  
19 such date has not commenced the required initial period  
20 of active duty for training under that section, the amend-  
21 ment made by subsection (a) may be applied to that person,  
22 but only with the agreement of that person and the Sec-  
23 retary concerned.

1 **SEC. 533. PREPARATION FOR, PARTICIPATION IN, AND CON-**  
2 **DUCT OF ATHLETIC COMPETITIONS BY THE**  
3 **NATIONAL GUARD AND MEMBERS OF THE NA-**  
4 **TIONAL GUARD.**

5 (a) *ATHLETIC AND SMALL ARMS COMPETITIONS.*—

6 *Section 504 of title 32, United States Code, is amended by*  
7 *adding at the end the following new subsection:*

8 “(c) *CONDUCT OF AND PARTICIPATION IN CERTAIN*  
9 *COMPETITIONS.*—(1) *Under regulations prescribed by the*  
10 *Secretary of Defense, members and units of the National*  
11 *Guard may conduct and compete in a qualifying athletic*  
12 *competition or a small arms competition so long as—*

13 “(A) *the conduct of, or participation in, the com-*  
14 *petition does not adversely affect the quality of train-*  
15 *ing or otherwise interfere with the ability of a mem-*  
16 *ber or unit of the National Guard to perform the*  
17 *military functions of the member or unit;*

18 “(B) *National Guard personnel will enhance*  
19 *their military skills as a result of conducting or par-*  
20 *ticipating in the competition; and*

21 “(C) *the conduct of or participation in the com-*  
22 *petition will not result in a significant increase in*  
23 *National Guard costs.*

24 “(2) *Facilities and equipment of the National Guard,*  
25 *including military property and vehicles described in sec-*  
26 *tion 508(c) of this title, may be used in connection with*



1 *the conduct of or participation in a qualifying athletic com-*  
 2 *petition or a small arms competition under paragraph*  
 3 *(1).”.*

4 *(b) OTHER MATTERS.—Such section is further amend-*  
 5 *ed by adding after subsection (c), as added by subsection*  
 6 *(a) of this section, the following new subsections:*

7 *“(d) AVAILABILITY OF FUNDS.—(1) Subject to para-*  
 8 *graph (2) and such limitations as may be enacted in appro-*  
 9 *priations Acts and such regulations as the Secretary of De-*  
 10 *fense may prescribe, amounts appropriated for the National*  
 11 *Guard may be used to cover—*

12 *“(A) the costs of conducting or participating in*  
 13 *a qualifying athletic competition or a small arms*  
 14 *competition under subsection (c); and*

15 *“(B) the expenses of members of the National*  
 16 *Guard under subsection (a)(3), including expenses of*  
 17 *attendance and participation fees, travel, per diem,*  
 18 *clothing, equipment, and related expenses.*

19 *“(2) Not more than \$2,500,000 may be obligated or*  
 20 *expended in any fiscal year under subsection (c).*

21 *“(e) QUALIFYING ATHLETIC COMPETITION DE-*  
 22 *FINED.—In this section, the term ‘qualifying athletic com-*  
 23 *petition’ means a competition in athletic events that require*  
 24 *skills relevant to military duties or involve aspects of phys-*  
 25 *ical fitness that are evaluated by the armed forces in deter-*

1 *mining whether a member of the National Guard is fit for*  
 2 *military duty.”.*

3 (c) *STYLISTIC AMENDMENTS.—Such section is further*  
 4 *amended—*

5 (1) *in subsection (a), by inserting “AUTHORIZED*  
 6 *ACTIVITIES.—” after “(a)”;* and

7 (2) *in subsection (b), by inserting “AUTHORIZED*  
 8 *LOCATIONS.—” after “(b)”.*

9 (d) *CONFORMING AND CLERICAL AMENDMENTS.—(1)*  
 10 *Subsection (a) of such section is amended—*

11 (A) *in paragraph (1), by inserting “and” after*  
 12 *the semicolon;*

13 (B) *in paragraph (2), by striking “; or” and in-*  
 14 *serting a period; and*

15 (C) *by striking paragraph (3).*

16 (2) *The heading of such section is amended to read*  
 17 *as follows:*

18 **“§ 504. National Guard schools; small arms competi-**  
 19 **tions; athletic competitions”.**

20 (3) *The item relating to section 504 in the table of*  
 21 *sections at the beginning of chapter 5 of title 32, United*  
 22 *States Code, is amended to read as follows:*

*“504. National Guard schools; small arms competitions; athletic competitions.”.*

1           ***Subtitle E—Decorations and***  
2                           ***Awards***

3   ***SEC. 541. WAIVER OF TIME LIMITATIONS FOR AWARD OF***  
4                           ***CERTAIN DECORATIONS TO CERTAIN PER-***  
5                           ***SONS.***

6           (a) *WAIVER.*—Any limitation established by law or  
7   policy for the time within which a recommendation for the  
8   award of a military decoration or award must be submitted  
9   shall not apply to awards of decorations described in this  
10   section, the award of each such decoration having been de-  
11   termined by the Secretary concerned to be warranted in ac-  
12   cordance with section 1130 of title 10, United States Code.

13          (b) *DISTINGUISHED FLYING CROSS.*—Subsection (a)  
14   applies to the award of the Distinguished Flying Cross (in-  
15   cluding multiple awards to the same individual) in the case  
16   of each individual concerning whom the Secretary of the  
17   military department concerned (or a designated official act-  
18   ing on behalf of the Secretary of the military department  
19   concerned) submitted to the Committee on Armed Services  
20   of the House of Representatives and the Committee on  
21   Armed Services of the Senate, during the period beginning  
22   on December 28, 2001, and ending on the day before the  
23   date of the enactment of this Act, a notice as provided in  
24   section 1130(b) of title 10, United States Code, that the  
25   award of the Distinguished Flying Cross to that individual

1 *is warranted and that a waiver of time restrictions pre-*  
 2 *scribed by law for recommendation for such award is rec-*  
 3 *ommended.*

4 **SEC. 542. OPTION TO CONVERT AWARD OF ARMED FORCES**  
 5 **EXPEDITIONARY MEDAL AWARDED FOR OP-**  
 6 **ERATION FREQUENT WIND TO VIETNAM**  
 7 **SERVICE MEDAL.**

8 *(a) IN GENERAL.—The Secretary of the military de-*  
 9 *partment concerned shall, upon the application of an indi-*  
 10 *vidual who is an eligible Vietnam evacuation veteran,*  
 11 *award that individual the Vietnam Service Medal, notwith-*  
 12 *standing any otherwise applicable requirements for the*  
 13 *award of that medal. Any such award shall be made in*  
 14 *lieu of the Armed Forces Expeditionary Medal awarded the*  
 15 *individual for participation in Operation Frequent Wind.*

16 *(b) ELIGIBLE VIETNAM EVACUATION VETERAN.—For*  
 17 *purposes of this section, the term “eligible Vietnam evacu-*  
 18 *ation veteran” means a member or former member of the*  
 19 *Armed Forces who was awarded the Armed Forces Expedi-*  
 20 *tionary Medal for participation in military operations des-*  
 21 *ignated as Operation Frequent Wind arising from the evac-*  
 22 *uation of Vietnam on April 29 and 30, 1975.*

1    ***Subtitle F—Administrative Matters***

2    ***SEC. 551. STAFFING AND FUNDING FOR DEFENSE PRIS-***  
3                   ***ONER OF WAR/MISSING PERSONNEL OFFICE.***

4           (a) *REQUIREMENT FOR STAFFING AND FUNDING AT*  
5    *LEVELS REQUIRED FOR PERFORMANCE OF FULL RANGE*  
6    *OF MISSIONS.*—Subsection (a) of section 1501 of title 10,  
7    *United States Code, is amended by adding at the end the*  
8    *following new paragraph:*

9           “(5)(A) *The Secretary of Defense shall ensure that the*  
10   *office is provided sufficient military and civilian personnel*  
11   *levels, and sufficient funding, to enable the office to fully*  
12   *perform its complete range of missions. The Secretary shall*  
13   *ensure that Department of Defense programming, planning,*  
14   *and budgeting procedures are structured so as to ensure*  
15   *compliance with the preceding sentence for each fiscal year.*

16          “(B) *For any fiscal year, the number of military and*  
17   *civilian personnel assigned or detailed to the office may not*  
18   *be less than the number requested in the President’s budget*  
19   *for fiscal year 2003, unless a level below such number is*  
20   *expressly required by law.*

21          “(C) *For any fiscal year, the level of funding allocated*  
22   *to the office within the Department of Defense may not be*  
23   *below the level requested for such purposes in the President’s*  
24   *budget for fiscal year 2003, unless such a level of funding*  
25   *is expressly required by law.”.*

1       (b) *NAME OF OFFICE.*—Such subsection is further  
 2 amended by inserting after the first sentence of paragraph  
 3 (1) the following new sentence: “Such office shall be known  
 4 as the Defense Prisoner of War/Missing Personnel Office.”.

5       **SEC. 552. THREE-YEAR FREEZE ON REDUCTIONS OF PER-**  
 6                               **SONNEL OF AGENCIES RESPONSIBLE FOR RE-**  
 7                               **VIEW AND CORRECTION OF MILITARY**  
 8                               **RECORDS.**

9       (a) *IN GENERAL.*—Chapter 79 of title 10, United  
 10 States Code, is amended by adding at the end the following  
 11 new section:

12       **“§ 1559. Personnel limitation**

13               “(a) *LIMITATION.*—During fiscal years 2003, 2004,  
 14 and 2005, the Secretary of a military department may not  
 15 carry out any reduction in the number of military and ci-  
 16 vilian personnel assigned to duty with the service review  
 17 agency for that military department below the baseline  
 18 number for that agency until—

19               “(1) the Secretary submits to Congress a report  
 20 that—

21                       “(A) describes the reduction proposed to be  
 22 made;

23                       “(B) provides the Secretary’s rationale for  
 24 that reduction; and

1           “(C) specifies the number of such personnel  
2           that would be assigned to duty with that agency  
3           after the reduction; and

4           “(2) a period of 90 days has elapsed after the  
5           date on which the report is submitted.

6           “(b) *BASELINE NUMBER*.—The baseline number for a  
7           service review agency under this section is—

8           “(1) for purposes of the first report with respect  
9           to a service review agency under this section, the  
10          number of military and civilian personnel assigned to  
11          duty with that agency as of January 1, 2002; and

12          “(2) for purposes of any subsequent report with  
13          respect to a service review agency under this section,  
14          the number of such personnel specified in the most re-  
15          cent report with respect to that agency under this sec-  
16          tion.

17          “(c) *SERVICE REVIEW AGENCY DEFINED*.—In this sec-  
18          tion, the term ‘service review agency’ means—

19                 “(1) with respect to the Department of the Army,  
20                 the Army Review Boards Agency;

21                 “(2) with respect to the Department of the Navy,  
22                 the Board for Correction of Naval Records; and

23                 “(3) with respect to the Department of the Air  
24                 Force, the Air Force Review Boards Agency.”.

1       (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of such chapter is amended by adding at the*  
 3 *end the following new item:*

*“1559. Personnel limitation.”.*

4 **SEC. 553. DEPARTMENT OF DEFENSE SUPPORT FOR PER-**  
 5 **SONS PARTICIPATING IN MILITARY FUNERAL**  
 6 **HONORS DETAILS.**

7       Section 1491(d) of title 10, United States Code, is  
 8 amended—

9           (1) by striking “To provide a” after “SUP-  
 10 PORT.—” and inserting “(1) To support a”;

11           (2) by redesignating paragraph (1) as subpara-  
 12 graph (A) and amending such subparagraph, as so  
 13 redesignated, to read as follows:

14           “(A) For a person who participates in a funeral  
 15 honors detail (other than a person who is a member  
 16 of the armed forces not in a retired status or an em-  
 17 ployee of the United States), either transportation (or  
 18 reimbursement for transportation) and expenses or  
 19 the daily stipend prescribed under paragraph (2).”;

20           (3) by redesignating paragraph (2) as subpara-  
 21 graph (B) and in that subparagraph—

22           (A) by striking “Materiel, equipment, and  
 23 training for” and inserting “For”; and



1                   (B) by inserting before the period at the end  
2                   “and for members of the armed forces in a re-  
3                   tired status, materiel, equipment, and training”;  
4                   (4) by redesignating paragraph (3) as subpara-  
5                   graph (C) and in that subparagraph—

6                   (A) by striking “Articles of clothing for”  
7                   and inserting “For”; and

8                   (B) by inserting “, articles of clothing”  
9                   after “subsection (b)(2)”; and

10                  (5) by adding at the end the following new para-  
11                  graphs:

12                  “(2) The Secretary of Defense shall prescribe annually  
13                  a flat rate daily stipend for purposes of paragraph (1)(A).  
14                  Such stipend shall be set at a rate so as to encompass typ-  
15                  ical costs for transportation and other miscellaneous ex-  
16                  penses for persons participating in funeral honors details  
17                  who are members of the armed forces in a retired status  
18                  and other persons are not members of the armed forces or  
19                  employees of the United States.

20                  “(3) A stipend paid under this subsection to a member  
21                  of the armed forces in a retired status is in addition to  
22                  any compensation to which the member is entitled under  
23                  section 435(a)(2) of title 37 and any other compensation  
24                  to which the member may be entitled.”.

1 **SEC. 554. AUTHORITY FOR USE OF VOLUNTEERS AS PROC-**  
 2 **TORS FOR ADMINISTRATION OF ARMED SERV-**  
 3 **ICES VOCATIONAL APTITUDE BATTERY TEST.**

4 *Section 1588(a) of title 10, United States Code, is*  
 5 *amended by adding at the end the following new paragraph:*

6 *“(6) Voluntary services as a proctor for adminis-*  
 7 *tration to secondary school students of the test known*  
 8 *as the ‘Armed Services Vocational Aptitude Bat-*  
 9 *tery’.”.*

10 **SEC. 555. ANNUAL REPORT ON STATUS OF FEMALE MEM-**  
 11 **BERS OF THE ARMED FORCES.**

12 *(a) IN GENERAL.—Chapter 23 of title 10, United*  
 13 *States Code, is amended by adding at the end the following*  
 14 *new section:*

15 **“§488. Status of female members of the armed forces:**  
 16 ***annual report***

17 *“(a) ANNUAL REPORT.—The Secretary of Defense shall*  
 18 *submit to Congress an annual report on the status of female*  
 19 *members of the armed forces. Information in the report shall*  
 20 *be shown for the Department of Defense as a whole and*  
 21 *separately for each of the Army, Navy, Air Force, and Ma-*  
 22 *rine Corps.*

23 *“(b) MATTERS TO BE INCLUDED.—Each report under*  
 24 *subsection (a) shall include, at a minimum, the following*  
 25 *information with respect to female members:*

26 *“(1) Access to health care.*

1 “(2) *Positions open.*

2 “(3) *Assignment policies.*

3 “(4) *Joint spouse assignments.*

4 “(5) *Deployment availability rates.*

5 “(6) *Promotion and retention rates.*

6 “(7) *Assignments in nontraditional fields.*

7 “(8) *Assignments to command positions.*

8 “(9) *Selection for service schools.*

9 “(10) *Sexual harassment.*”.

10 (b) *CLERICAL AMENDMENT.—The table of sections at*  
 11 *the beginning of such chapter is amended by adding at the*  
 12 *end the following new item:*

“488. *Status of female members of the armed forces: annual report.*”.

## 13 ***Subtitle G—Benefits***

### 14 ***SEC. 561. VOLUNTARY LEAVE SHARING PROGRAM FOR MEM-*** 15 ***BERS OF THE ARMED FORCES.***

16 (a) *IN GENERAL.—(1) Chapter 40 of title 10, United*  
 17 *States Code, is amended by adding at the end the following*  
 18 *new section:*

#### 19 ***“§ 709. Voluntary transfers of leave***

20 “(a) *PROGRAM.—The Secretary concerned shall, by*  
 21 *regulation, establish a program under which leave accrued*  
 22 *by a member of an armed force may be transferred to an-*  
 23 *other member of the same armed force who requires addi-*  
 24 *tional leave because of a qualifying emergency. Any such*  
 25 *transfer of leave may be made only upon the voluntary*

1 *written application of the member whose leave is to be*  
 2 *transferred.*

3       “(b) *APPROVAL OF COMMANDING OFFICER RE-*  
 4 *QUIRED.—Any transfer of leave under a program under*  
 5 *this section may only be made with the approval of the com-*  
 6 *manding officer of the leave donor and the leave recipient.*

7       “(c) *QUALIFYING EMERGENCY.—In this section, the*  
 8 *term ‘qualifying emergency’, with respect to a member of*  
 9 *the armed forces, means a circumstance that—*

10               “(1) *is likely to require the prolonged absence of*  
 11 *the member from duty; and*

12               “(2) *is due to—*

13                       “(A) *a medical condition of a member of the*  
 14 *immediate family of the member; or*

15                       “(B) *any other hardship that the Secretary*  
 16 *concerned determines appropriate for purposes of*  
 17 *this section.*

18       “(d) *MILITARY DEPARTMENT REGULATIONS.—Regula-*  
 19 *tions prescribed under this section by the Secretaries of the*  
 20 *military department shall be as uniform as practicable and*  
 21 *shall be subject to approval by the Secretary of Defense.”.*

22       (2) *The table of sections at the beginning of such chap-*  
 23 *ter is amended by adding at the end the following new item:*

      “709. *Voluntary transfers of leave.*”.

24       (b) *DEADLINE FOR IMPLEMENTING REGULATIONS.—*  
 25 *Regulations to implement section 709 of title 10, United*

1 *States Code, as added by subsection (a), shall be prescribed*  
 2 *not later than six months after the date of the enactment*  
 3 *of this Act.*

4 **SEC. 562. ENHANCED FLEXIBILITY IN MEDICAL LOAN RE-**  
 5 **PAYMENT PROGRAM.**

6 (a) *ELIGIBLE PERSONS.*—Subsection (d) of section  
 7 2173 of title 10, United States Code, is amended by striking  
 8 “Participants” and all that follows through “and students”  
 9 and inserting “Students”.

10 (b) *LOAN REPAYMENT AMOUNTS.*—Subsection (e)(2) of  
 11 such section is amended by striking the last sentence.

12 **SEC. 563. EXPANSION OF OVERSEAS TOUR EXTENSION BEN-**  
 13 **EFITS.**

14 Section 705(b)(2) of title 10, United States Code, is  
 15 amended—

16 (1) by striking “recuperative” and inserting “re-  
 17 cuperation”; and

18 (2) by inserting before the period at the end the  
 19 following: “, or to an alternate location at a cost not  
 20 to exceed the cost of transportation to the nearest port  
 21 in the 48 contiguous States, and return”.

1 **SEC. 564. VEHICLE STORAGE IN LIEU OF TRANSPORTATION**  
 2 **WHEN MEMBER IS ORDERED TO A NONFOR-**  
 3 **EIGN DUTY STATION OUTSIDE CONTINENTAL**  
 4 **UNITED STATES.**

5 (a) *STORAGE COSTS AUTHORIZED.*—Subsection (b) of  
 6 section 2634 of title 10, United States Code, is amended  
 7 by striking paragraphs (1) and (2) and inserting the fol-  
 8 lowing:

9 “(b)(1) *When a member receives a vehicle storage*  
 10 *qualifying order, the member may elect to have a motor*  
 11 *vehicle described in subsection (a) stored at the expense of*  
 12 *the United States at a location approved by the Secretary*  
 13 *concerned. In the case of a vehicle storage qualifying order*  
 14 *that is to make a change of permanent station, such storage*  
 15 *is in lieu of transportation authorized by subsection (a).*

16 “(2) *In this subsection, the term ‘vehicle storage quali-*  
 17 *fying order’ means any of the following:*

18 “(A) *An order to make a change of permanent*  
 19 *station to a foreign country in a case in which the*  
 20 *laws, regulations, or other restrictions imposed by the*  
 21 *foreign country or by the United States either—*

22 “(i) *preclude entry of a motor vehicle de-*  
 23 *scribed in subsection (a) into that country; or*

24 “(ii) *would require extensive modification*  
 25 *of the vehicle as a condition to entry.*

1           “(B) *An order to make a change of permanent*  
 2           *station to a nonforeign area outside the continental*  
 3           *United States in a case in which the laws, regula-*  
 4           *tions, or other restrictions imposed by that area or by*  
 5           *the United States either—*

6                     “(i) *preclude entry of a motor vehicle de-*  
 7                     *scribed in subsection (a) into that area; or*

8                     “(ii) *would require extensive modification*  
 9                     *of the vehicle as a condition to entry.*

10           “(C) *An order under which a member is trans-*  
 11           *ferred or assigned in connection with a contingency*  
 12           *operation to duty at a location other than the perma-*  
 13           *nent station of the member for a period of more than*  
 14           *30 consecutive days but which is not considered a*  
 15           *change of permanent station.”.*

16           (b) *NONFOREIGN AREA OUTSIDE THE CONTINENTAL*  
 17           *UNITED STATES DEFINED.—Subsection (h) of such section*  
 18           *is amended by adding at the end the following new para-*  
 19           *graph:*

20                     “(3) *The term ‘nonforeign area outside the conti-*  
 21                     *mental United States’ means any of the following: the*  
 22                     *States of Alaska and Hawaii, the Commonwealths of*  
 23                     *Puerto Rico and the Northern Mariana Islands, and*  
 24                     *any possession of the United States.”.*

1       (c) *EFFECTIVE DATE.*—*The amendments made by this*  
 2 *section apply to orders to make a change of permanent sta-*  
 3 *tion to a nonforeign area outside the continental United*  
 4 *States (as such term is defined in subsection (h)(3) of sec-*  
 5 *tion 2634 of title 10, United States Code, as added by sub-*  
 6 *section (b)) that are issued on or after the date of the enact-*  
 7 *ment of this Act.*

8                   ***Subtitle H—Military Justice***  
 9                               ***Matters***

10 ***SEC. 571. RIGHT OF CONVICTED ACCUSED TO REQUEST***  
 11 ***SENTENCING BY MILITARY JUDGE.***

12       (a) *SENTENCING BY JUDGE.*—(1) *Chapter 47 of title*  
 13 *10, United States Code (the Uniform Code of Military Jus-*  
 14 *tice), is amended by inserting after section 852 (article 52)*  
 15 *the following new section:*

16 ***“§852a. Art. 52a. Right of accused to request sen-***  
 17 ***tencing by military judge rather than by***  
 18 ***members***

19       “(a) *In the case of an accused convicted of an offense*  
 20 *by a court-martial composed of a military judge and mem-*  
 21 *bers, the sentence shall be tried before and adjudged by the*  
 22 *military judge rather than the members if, after the find-*  
 23 *ings are announced and before evidence in the sentencing*  
 24 *proceeding is introduced, the accused, knowing the identity*  
 25 *of the military judge and after consultation with defense*



1 counsel, requests orally on the record or in writing that the  
 2 sentence be tried before and adjudged by the military judge  
 3 rather than the members.

4 “(b) This section shall not apply with respect to an  
 5 offense for which the death penalty may be adjudged unless  
 6 the case has been previously referred to trial as a noncapital  
 7 case.”.

8 (2) The table of sections at the beginning of subchapter  
 9 VII of such chapter is amended by inserting after the item  
 10 relating to section 852 (article 52) the following new item:

“852a. 52a. Right of accused to request sentencing by military judge rather than  
 by members.”.

11 (b) *EFFECTIVE DATE.*—Section 852a of title 10,  
 12 United States Code (article 52a of the Uniform Code of  
 13 Military Justice), as added by subsection (a), shall apply  
 14 with respect to offenses committed on or after January 1,  
 15 2003.

16 **SEC. 572. REPORT ON DESIRABILITY AND FEASIBILITY OF**  
 17 **CONSOLIDATING SEPARATE COURSES OF**  
 18 **BASIC INSTRUCTION FOR JUDGE ADVOCATES.**

19 Not later than February 1, 2003, the Secretary of De-  
 20 fense shall submit to the Committee on Armed Services of  
 21 the Senate and the Committee on Armed Services of the  
 22 House of Representatives a report on the desirability and  
 23 feasibility of consolidating the separate Army, Navy, and  
 24 Air Force courses of basic instruction for judge advocates

1 *into a single course to be conducted at a single location.*

2 *The report shall include—*

3 *(1) an assessment of the advantages and dis-*  
4 *advantages of such a consolidation;*

5 *(2) a recommendation as to whether such a con-*  
6 *solidation is desirable and feasible; and*

7 *(3) any proposal for legislative action that the*  
8 *Secretary considers appropriate for carrying out such*  
9 *a consolidation.*

10 ***TITLE VI—COMPENSATION AND***  
11 ***OTHER PERSONNEL BENEFITS***  
12 ***Subtitle A—Pay and Allowances***

13 ***SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2003.***

14 *(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The ad-*  
15 *justment to become effective during fiscal year 2003 re-*  
16 *quired by section 1009 of title 37, United States Code, in*  
17 *the rates of monthly basic pay authorized members of the*  
18 *uniformed services shall not be made.*

19 *(b) INCREASE IN BASIC PAY.—Effective on January*  
20 *1, 2003, the rates of monthly basic pay for members of the*  
21 *uniformed services within each pay grade are as follows:*

COMMISSIONED OFFICERS<sup>1</sup>

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ....	0.00	0.00	0.00	0.00	0.00
O-8 ....	7,474.50	7,719.30	7,881.60	7,927.20	8,129.40
O-7 ....	6,210.90	6,499.20	6,633.00	6,739.20	6,930.90
O-6 ....	4,603.20	5,057.10	5,388.90	5,388.90	5,409.60
O-5 ....	3,837.60	4,323.00	4,622.40	4,678.50	4,864.80
O-4 ....	3,311.10	3,832.80	4,088.70	4,145.70	4,383.00
O-3 <sup>3</sup>	2,911.20	3,300.30	3,562.20	3,883.50	4,069.50
O-2 <sup>3</sup>	2,515.20	2,864.70	3,299.40	3,410.70	3,481.20
O-1 <sup>3</sup>	2,183.70	2,272.50	2,746.80	2,746.80	2,746.80
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9 ....	0.00	0.00	0.00	0.00	0.00
O-8 ....	8,468.70	8,547.30	8,868.90	8,961.30	9,238.20
O-7 ....	7,120.80	7,340.40	7,559.40	7,779.00	8,468.70
O-6 ....	5,641.20	5,672.10	5,672.10	5,994.60	6,564.30
O-5 ....	4,977.00	5,222.70	5,403.00	5,635.50	5,991.90
O-4 ....	4,637.70	4,954.50	5,201.40	5,372.70	5,471.10
O-3 <sup>3</sup>	4,273.50	4,405.80	4,623.30	4,736.10	4,736.10
O-2 <sup>3</sup>	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 <sup>3</sup>	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 <sup>2</sup>	\$0.00	\$12,077.70	\$12,137.10	\$12,389.40	\$12,829.20
O-9 ....	0.00	10,563.60	10,715.70	10,935.60	11,319.60
O-8 ....	9,639.00	10,008.90	10,255.80	10,255.80	10,255.80
O-7 ....	9,051.30	9,051.30	9,051.30	9,051.30	9,096.90
O-6 ....	6,898.80	7,233.30	7,423.50	7,616.10	7,989.90
O-5 ....	6,161.70	6,329.10	6,519.60	6,519.60	6,519.60
O-4 ....	5,528.40	5,528.40	5,528.40	5,528.40	5,528.40
O-3 <sup>3</sup>	4,736.10	4,736.10	4,736.10	4,736.10	4,736.10
O-2 <sup>3</sup>	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 <sup>3</sup>	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80

<sup>1</sup> Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

<sup>2</sup> Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$14,155.50, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

<sup>3</sup> This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

**COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE DUTY SERVICE  
AS AN ENLISTED MEMBER OR WARRANT OFFICER**

*Years of service computed under section 205 of title 37, United States Code*

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>O-3E</i>	\$0.00	\$0.00	\$0.00	\$3,883.50	\$4,069.50
<i>O-2E</i>	0.00	0.00	0.00	3,410.70	3,481.20
<i>O-1E</i>	0.00	0.00	0.00	2,746.80	2,933.70
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>O-3E</i>	\$4,273.50	\$4,405.80	\$4,623.30	\$4,806.30	\$4,911.00
<i>O-2E</i>	3,591.90	3,778.80	3,923.40	4,031.10	4,031.10
<i>O-1E</i>	3,042.00	3,152.70	3,261.60	3,410.70	3,410.70
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>O-3E</i>	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40
<i>O-2E</i>	4,031.10	4,031.10	4,031.10	4,031.10	4,031.10
<i>O-1E</i>	3,410.70	3,410.70	3,410.70	3,410.70	3,410.70

**WARRANT OFFICERS <sup>1</sup>**

*Years of service computed under section 205 of title 37, United States Code*

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,008.10	3,236.10	3,329.10	3,420.60	3,578.10
<i>W-3 ...</i>	2,747.10	2,862.00	2,979.30	3,017.70	3,141.00
<i>W-2 ...</i>	2,416.50	2,554.50	2,675.10	2,763.00	2,838.30
<i>W-1 ...</i>	2,133.90	2,308.50	2,425.50	2,501.10	2,662.50
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,733.50	3,891.00	4,044.60	4,203.60	4,356.00
<i>W-3 ...</i>	3,281.70	3,467.40	3,580.50	3,771.90	3,915.60
<i>W-2 ...</i>	2,993.10	3,148.50	3,264.00	3,376.50	3,453.90
<i>W-1 ...</i>	2,782.20	2,888.40	3,006.90	3,085.20	3,203.40
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>W-5 ...</i>	\$0.00	\$5,169.30	\$5,346.60	\$5,524.50	\$5,703.30
<i>W-4 ...</i>	4,512.00	4,664.40	4,822.50	4,978.20	5,137.50
<i>W-3 ...</i>	4,058.40	4,201.50	4,266.30	4,407.00	4,548.00
<i>W-2 ...</i>	3,579.90	3,705.90	3,831.00	3,957.30	3,957.30
<i>W-1 ...</i>	3,320.70	3,409.50	3,409.50	3,409.50	3,409.50

<sup>1</sup> Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

**ENLISTED MEMBERS<sup>1</sup>***Years of service computed under section 205 of title 37, United States Code*

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>E-9<sup>2</sup></i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>E-8 ....</i>	0.00	0.00	0.00	0.00	0.00
<i>E-7 ....</i>	2,068.50	2,257.80	2,343.90	2,428.20	2,516.40
<i>E-6 ....</i>	1,770.60	1,947.60	2,033.70	2,117.10	2,204.10
<i>E-5 ....</i>	1,625.40	1,733.70	1,817.40	1,903.50	2,037.00
<i>E-4 ....</i>	1,502.70	1,579.80	1,665.30	1,749.30	1,824.00
<i>E-3 ....</i>	1,356.90	1,442.10	1,528.80	1,528.80	1,528.80
<i>E-2 ....</i>	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
<i>E-1 ....</i>	<sup>3</sup> 1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>E-9<sup>2</sup></i>	\$0.00	\$3,564.30	\$3,645.00	\$3,747.00	\$3,867.00
<i>E-8 ....</i>	2,975.40	3,061.20	3,141.30	3,237.60	3,342.00
<i>E-7 ....</i>	2,667.90	2,753.40	2,838.30	2,990.40	3,066.30
<i>E-6 ....</i>	2,400.90	2,477.40	2,562.30	2,636.70	2,663.10
<i>E-5 ....</i>	2,151.90	2,236.80	2,283.30	2,283.30	2,283.30
<i>E-4 ....</i>	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
<i>E-3 ....</i>	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
<i>E-2 ....</i>	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
<i>E-1 ....</i>	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>E-9<sup>2</sup></i>	\$3,987.30	\$4,180.80	\$4,344.30	\$4,506.30	\$4,757.40
<i>E-8 ....</i>	3,530.10	3,625.50	3,787.50	3,877.50	4,099.20
<i>E-7 ....</i>	3,138.60	3,182.70	3,331.50	3,427.80	3,671.40
<i>E-6 ....</i>	2,709.60	2,709.60	2,709.60	2,709.60	2,709.60
<i>E-5 ....</i>	2,283.30	2,283.30	2,283.30	2,283.30	2,283.30
<i>E-4 ....</i>	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
<i>E-3 ....</i>	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
<i>E-2 ....</i>	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
<i>E-1 ....</i>	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80

<sup>1</sup> Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

<sup>2</sup> Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, basic pay for this grade is \$5,732.70, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

<sup>3</sup> In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,064.70.

**1 SEC. 602. EXPANSION OF BASIC ALLOWANCE FOR HOUSING**

**2 LOW-COST OR NO-COST MOVES AUTHORITY**

**3 TO MEMBERS ASSIGNED TO DUTY OUTSIDE**

**4 UNITED STATES.**

**5 Section 403(c) of title 37, United States Code, is**

**6 amended by adding at the end the following new paragraph:**

1       “(4) *In the case of a member who is assigned to duty*  
 2 *outside of the United States, the location or the cir-*  
 3 *cumstances of which make it necessary that the member be*  
 4 *reassigned under the conditions of low-cost or no-cost per-*  
 5 *manent change of station or permanent change of assign-*  
 6 *ment, the member may be treated as if the member were*  
 7 *not reassigned if the Secretary concerned determines that*  
 8 *it would be inequitable to base the member’s entitlement to,*  
 9 *and amount of, a basic allowance for housing on the cost*  
 10 *of housing in the area to which the member is reassigned.”.*

11       ***Subtitle B—Bonuses and Special***  
 12                               ***and Incentive Pays***

13       ***SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND***  
 14                               ***SPECIAL PAY AUTHORITIES FOR RESERVE***  
 15                               ***FORCES.***

16       ***(a) SELECTED RESERVE REENLISTMENT BONUS.—***  
 17 *Section 308b(f) of title 37, United States Code, is amended*  
 18 *by striking “December 31, 2002” and inserting “December*  
 19 *31, 2003”.*

20       ***(b) SELECTED RESERVE ENLISTMENT BONUS.—****Sec-*  
 21 *tion 308c(e) of such title is amended by striking “December*  
 22 *31, 2002” and inserting “December 31, 2003”.*

23       ***(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED***  
 24 *TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of*

1 *such title is amended by striking “December 31, 2002” and*  
 2 *inserting “December 31, 2003”.*

3 (d) *SELECTED RESERVE AFFILIATION BONUS.*—Sec-  
 4 *tion 308e(e) of such title is amended by striking “December*  
 5 *31, 2002” and inserting “December 31, 2003”.*

6 (e) *READY RESERVE ENLISTMENT AND REENLIST-*  
 7 *MENT BONUS.*—Section 308h(g) of such title is amended by  
 8 *striking “December 31, 2002” and inserting “December 31,*  
 9 *2003”.*

10 (f) *PRIOR SERVICE ENLISTMENT BONUS.*—Section  
 11 *308i(f) of such title is amended by striking “December 31,*  
 12 *2002” and inserting “December 31, 2003”.*

13 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**  
 14 **SPECIAL PAY AUTHORITIES FOR CERTAIN**  
 15 **HEALTH CARE PROFESSIONALS.**

16 (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*  
 17 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,  
 18 *is amended by striking “December 31, 2002” and inserting*  
 19 *“December 31, 2003”.*

20 (b) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*  
 21 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*  
 22 *RESERVE.*—Section 16302(d) of such title is amended by  
 23 *striking “January 1, 2003” and inserting “January 1,*  
 24 *2004”.*

1       (c) *ACCESSION BONUS FOR REGISTERED NURSES.*—  
 2       Section 302d(a)(1) of title 37, United States Code, is  
 3       amended by striking “December 31, 2002” and inserting  
 4       “December 31, 2003”.

5       (d) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*  
 6       *THETISTS.*—Section 302e(a)(1) of such title is amended by  
 7       striking “December 31, 2002” and inserting “December 31,  
 8       2003”.

9       (e) *SPECIAL PAY FOR SELECTED RESERVE HEALTH*  
 10       *PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIAL-*  
 11       *TIES.*—Section 302g(f) of such title is amended by striking  
 12       “December 31, 2002” and inserting “December 31, 2003”.

13       (f) *ACCESSION BONUS FOR DENTAL OFFICERS.*—Sec-  
 14       tion 302h(a)(1) of such title is amended by striking “De-  
 15       cember 31, 2002” and inserting “December 31, 2003”.

16       **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**  
 17                               **BONUS AUTHORITIES FOR NUCLEAR OFFI-**  
 18                               **CERS.**

19       (a) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*  
 20       *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)  
 21       of title 37, United States Code, is amended by striking “De-  
 22       cember 31, 2002” and inserting “December 31, 2003”.

23       (b) *NUCLEAR CAREER ACCESSION BONUS.*—Section  
 24       312b(c) of such title is amended by striking “December 31,  
 25       2002” and inserting “December 31, 2003”.



1       (c) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—  
 2       Section 312c(d) of such title is amended by striking “De-  
 3       cember 31, 2002” and inserting “December 31, 2003”.

4       **SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND**  
 5               **SPECIAL PAY AUTHORITIES.**

6       (a) *AVIATION OFFICER RETENTION BONUS.*—Section  
 7       301b(a) of title 37, United States Code, is amended by strik-  
 8       ing “December 31, 2002” and inserting “December 31,  
 9       2003”.

10       (b) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—  
 11       Section 308(g) of such title is amended by striking “Decem-  
 12       ber 31, 2002” and inserting “December 31, 2003”.

13       (c) *ENLISTMENT BONUS FOR ACTIVE MEMBERS.*—Sec-  
 14       tion 309(e) of such title is amended by striking “December  
 15       31, 2002” and inserting “December 31, 2003”.

16       (d) *RETENTION BONUS FOR MEMBERS WITH CRITICAL*  
 17       *MILITARY SKILLS.*—Section 323(i) of such title is amended  
 18       by striking “December 31, 2002” and inserting “December  
 19       31, 2003”.

20       (e) *ACCESSION BONUS FOR NEW OFFICERS IN CRIT-*  
 21       *ICAL SKILLS.*—Section 324(g) of such title is amended by  
 22       striking “December 31, 2002” and inserting “December 31,  
 23       2003”.

1 **SEC. 615. MINIMUM LEVELS OF HARDSHIP DUTY PAY FOR**  
 2 **DUTY ON THE GROUND IN ANTARCTICA OR**  
 3 **ON ARCTIC ICEPACK.**

4 *Section 305 of title 37, United States Code, is*  
 5 *amended—*

6 *(1) by redesignating subsection (b) as subsection*  
 7 *(c); and*

8 *(2) by inserting after subsection (a), the fol-*  
 9 *lowing new subsection:*

10 *“(b) DUTY IN CERTAIN LOCATIONS.—(1) In the case*  
 11 *of duty at a location described in paragraph (2) at any*  
 12 *time during a month, the member of a uniformed service*  
 13 *performing that duty is entitled to special pay under this*  
 14 *section at a monthly rate of not less than \$240, but not*  
 15 *to exceed the monthly rate specified in subsection (a). For*  
 16 *each day of that duty during the month, the member shall*  
 17 *receive an amount equal to  $\frac{1}{30}$  of the monthly rate pre-*  
 18 *scribed under this subsection.*

19 *“(2) Paragraph (1) applies with respect to duty per-*  
 20 *formed on the ground in Antarctica or on the Arctic ice-*  
 21 *pack.”.*

22 **SEC. 616. INCREASE IN MAXIMUM RATES FOR PRIOR SERV-**  
 23 **ICE ENLISTMENT BONUS.**

24 *Section 308i(b)(1) of title 37, United States Code, is*  
 25 *amended—*

1           (1) in subparagraph (A), by striking “\$5,000”  
2           and inserting “\$8,000”;

3           (2) in subparagraph (B), by striking “\$2,500”  
4           and inserting “\$4,000”; and

5           (3) in subparagraph (C), by striking “\$2,000”  
6           and inserting “\$3,500”.

7   **SEC. 617. RETENTION INCENTIVES FOR HEALTH CARE PRO-**  
8                           **VIDERS QUALIFIED IN A CRITICAL MILITARY**  
9                           **SKILL.**

10       (a) *EXCEPTION TO LIMITATION ON MAXIMUM BONUS*  
11       *AMOUNT.*—Subsection (d) of section 323 of title 37, United  
12       States Code, is amended—

13           (1) by inserting “(1)” before “A member”; and

14           (2) by adding at the end the following new para-  
15       graph:

16       “(2) The limitation in paragraph (1) on the total  
17       bonus payments that a member may receive under this sec-  
18       tion does not apply with respect to an officer who is as-  
19       signed duties as a health care provider.”.

20       (b) *EXCEPTION TO YEARS OF SERVICE LIMITATION.*—  
21       Subsection (e) of such section is amended—

22           (1) by redesignating paragraphs (1) and (2) as  
23       subparagraphs (A) and (B), respectively;

24           (2) by inserting “(1)” before “A retention”; and

1           (3) by adding at the end the following new para-  
 2       graph:

3       “(2) The limitations in paragraph (1) do not apply  
 4       with respect to an officer who is assigned duties as a health  
 5       care provider during the period of active duty for which  
 6       the bonus is being offered.”.

7                       **Subtitle C—Travel and**  
 8                       **Transportation Allowances**

9       **SEC. 631. EXTENSION OF LEAVE TRAVEL DEFERRAL PERIOD**  
 10                       **FOR MEMBERS PERFORMING CONSECUTIVE**  
 11                       **OVERSEAS TOURS OF DUTY.**

12       (a) *AUTHORIZED DEFERRAL PERIOD.*—Section 411b  
 13       of title 37, United States Code is amended by inserting after  
 14       subsection (a) the following new subsection:

15       “(b) *AUTHORITY TO DEFER TRAVEL; LIMITATIONS.*—  
 16       (1) Under the regulations referred to subsection (a), a mem-  
 17       ber may defer the travel for which the member is paid travel  
 18       and transportation allowances under this section until any-  
 19       time before the completion of the consecutive tour at the  
 20       same duty station or the completion of the tour of duty at  
 21       the new duty station under the order involved, as the case  
 22       may be.

23       “(2) If a member is unable to undertake the travel be-  
 24       fore expiration of the deferral period under paragraph (1)  
 25       because of duty in connection with a contingency operation,

1 *the member may defer the travel until not more than one*  
 2 *year after the date on which the member's duty in connec-*  
 3 *tion with the contingency operation ends.”.*

4 *(b) CONFORMING AND CLERICAL AMENDMENTS.—Such*  
 5 *section is further amended—*

6 *(1) in subsection (a)—*

7 *(A) by striking “(a)(1)” and inserting “(a)*  
 8 *ALLOWANCES AUTHORIZED.—”; and*

9 *(B) by striking paragraph (2); and*

10 *(2) by striking “(b) The allowances” and insert-*  
 11 *ing “(c) LIMITATION ON ALLOWANCE RATE.—”.*

12 *(c) APPLICATION OF AMENDMENT.—Subsection (b) of*  
 13 *section 411b of title 37, United States Code, as added by*  
 14 *subsection (a), shall apply with respect to members of the*  
 15 *uniformed services in a deferred leave travel status under*  
 16 *such section as of the date of the enactment of this Act or*  
 17 *after that date.*

***Subtitle D—Retired Pay and  
Survivors Benefits***

***SEC. 641. PHASE-IN OF FULL CONCURRENT RECEIPT OF  
MILITARY RETIRED PAY AND VETERANS DIS-  
ABILITY COMPENSATION FOR MILITARY RE-  
TIREES WITH DISABILITIES RATED AT 60 PER-  
CENT OR HIGHER.***

*(a) CONCURRENT RECEIPT.—Section 1414 of title 10,  
United States Code, is amended to read as follows:*

***“§ 1414. Members eligible for retired pay who have  
service-connected disabilities rated at 60  
percent or higher: concurrent payment of  
retired pay and veterans’ disability com-  
pensation***

***“(a) PAYMENT OF BOTH RETIRED PAY AND COM-  
PENSATION.—Subject to subsection (b), a member or former  
member of the uniformed services who is entitled for any  
month to retired pay and who is also entitled for that  
month to veterans’ disability compensation for a qualifying  
service-connected disability (hereinafter in this section re-  
ferred to as a ‘qualified retiree’) is entitled to be paid both  
for that month without regard to sections 5304 and 5305  
of title 38. For fiscal years 2003 through 2006, payment  
of retired pay to such a member or former member is subject  
to subsection (c).***

1       “(b) *SPECIAL RULES FOR CHAPTER 61 DISABILITY*  
2 *RETIREEES.*—

3               “(1) *CAREER RETIREEES.*—*The retired pay of a*  
4 *member retired under chapter 61 of this title with 20*  
5 *years or more of service otherwise creditable under*  
6 *section 1405 of this title at the time of the member’s*  
7 *retirement is subject to reduction under sections 5304*  
8 *and 5305 of title 38, but only to the extent that the*  
9 *amount of the member’s retired pay under chapter 61*  
10 *of this title exceeds the amount of retired pay to*  
11 *which the member would have been entitled under any*  
12 *other provision of law based upon the member’s serv-*  
13 *ice in the uniformed services if the member had not*  
14 *been retired under chapter 61 of this title.*

15               “(2) *DISABILITY RETIREEES WITH LESS THAN 20*  
16 *YEARS OF SERVICE.*—*Subsection (a) does not apply to*  
17 *a member retired under chapter 61 of this title with*  
18 *less than 20 years of service otherwise creditable*  
19 *under section 1405 of this title at the time of the*  
20 *member’s retirement.*

21       “(c) *PHASE-IN OF FULL CONCURRENT RECEIPT.*—*For*  
22 *fiscal years 2003 through 2006, retired pay payable to a*  
23 *qualified retiree shall be determined as follows:*

24               “(1) *FISCAL YEAR 2003.*—*For a month during*  
25 *fiscal year 2003, the amount of retired pay payable*

1       to a qualified retiree is the amount (if any) of retired  
2       pay in excess of the current baseline offset plus the  
3       following:

4               “(A) For a month for which the retiree re-  
5       ceives veterans’ disability compensation for a  
6       qualifying service-connected disability rated as  
7       total, \$750.

8               “(B) For a month for which the retiree re-  
9       ceives veterans’ disability compensation for a  
10      qualifying service-connected disability rated as  
11      90 percent, \$500.

12              “(C) For a month for which the retiree re-  
13      ceives veterans’ disability compensation for a  
14      qualifying service-connected disability rated as  
15      80 percent, \$250.

16              “(D) For a month for which the retiree re-  
17      ceives veterans’ disability compensation for a  
18      qualifying service-connected disability rated as  
19      70 percent, \$250.

20              “(E) For a month for which the retiree re-  
21      ceives veterans’ disability compensation for a  
22      qualifying service-connected disability rated as  
23      60 percent, \$125.



1           “(2) *FISCAL YEAR 2004.*—*For a month during*  
2           *fiscal year 2004, the amount of retired pay payable*  
3           *to a qualified retiree is the sum of—*

4                   “(A) *the amount specified in paragraph (1)*  
5                   *for that qualified retiree; and*

6                   “(B) *23 percent of the difference between (i)*  
7                   *the current baseline offset, and (ii) the amount*  
8                   *specified in paragraph (1) for that member’s dis-*  
9                   *ability.*

10           “(3) *FISCAL YEAR 2005.*—*For a month during*  
11           *fiscal year 2005, the amount of retired pay payable*  
12           *to a qualified retiree is the sum of—*

13                   “(A) *the amount determined under para-*  
14                   *graph (2) for that qualified retiree; and*

15                   “(B) *30 percent of the difference between (i)*  
16                   *the current baseline offset, and (ii) the amount*  
17                   *determined under paragraph (2) for that quali-*  
18                   *fied retiree.*

19           “(4) *FISCAL YEAR 2006.*—*For a month during*  
20           *fiscal year 2006, the amount of retired pay payable*  
21           *to a qualified retiree is the sum of—*

22                   “(A) *the amount determined under para-*  
23                   *graph (3) for that qualified retiree; and*

24                   “(B) *64 percent of the difference between (i)*  
25                   *the current baseline offset, and (ii) the amount*

1           *determined under paragraph (3) for that quali-*  
 2           *fied retiree.*

3           “(d) *DEFINITIONS.—In this section:*

4                 “(1) *RETIRED PAY.—The term ‘retired pay’ in-*  
 5                 *cludes retainer pay, emergency officers’ retirement*  
 6                 *pay, and naval pension.*

7                 “(2) *VETERANS’ DISABILITY COMPENSATION.—*  
 8                 *The term ‘veterans’ disability compensation’ has the*  
 9                 *meaning given the term ‘compensation’ in section*  
 10                 *101(13) of title 38.*

11                 “(3) *SERVICE-CONNECTED.—The term ‘service-*  
 12                 *connected’ has the meaning given that term in section*  
 13                 *101(16) of title 38.*

14                 “(4) *QUALIFYING SERVICE-CONNECTED DIS-*  
 15                 *ABILITY.—The term ‘qualifying service-connected dis-*  
 16                 *ability’ means a service-connected disability or com-*  
 17                 *bination of service-connected disabilities that is rated*  
 18                 *as not less than 60 percent disabling by the Secretary*  
 19                 *of Veterans Affairs.*

20                 “(5) *DISABILITY RATED AS TOTAL.—The term*  
 21                 *‘disability rated as total’ means—*

22                         “(A) *a disability, or combination of disabil-*  
 23                         *ities, that is rated as total under the standard*  
 24                         *schedule of rating disabilities in use by the De-*  
 25                         *partment of Veterans Affairs; or*

1           “(B) a disability, or combination of disabili-  
 2           ties, for which the scheduled rating is less than  
 3           total but for which a rating of total is assigned  
 4           by reason of inability of the disabled person con-  
 5           cerned to secure or follow a substantially gainful  
 6           occupation as a result of service-connected dis-  
 7           abilities.

8           “(6) *CURRENT BASELINE OFFSET.*—

9           “(A) *IN GENERAL.*—The term ‘current base-  
 10          line offset’ for any qualified retiree means the  
 11          amount for any month that is the lesser of—

12               “(i) the amount of the applicable  
 13               monthly retired pay of the qualified retiree  
 14               for that month; and

15               “(ii) the amount of monthly veterans’  
 16               disability compensation to which the quali-  
 17               fied retiree is entitled for that month.

18           “(B) *APPLICABLE RETIRED PAY.*—In sub-  
 19          paragraph (A), the term ‘applicable retired pay’  
 20          for a qualified retiree means the amount of  
 21          monthly retired pay to which the qualified re-  
 22          tiree is entitled, determined without regard to  
 23          this section or sections 5304 and 5305 of title  
 24          38), except that in the case of such a retiree who  
 25          was retired under chapter 61 of this title, such

1           *amount is the amount of retired pay to which*  
2           *the member would have been entitled under any*  
3           *other provision of law based upon the member's*  
4           *service in the uniformed services if the member*  
5           *had not been retired under chapter 61 of this*  
6           *title."*

7           ***(b) REPEAL OF SPECIAL COMPENSATION AUTHOR-***  
8           ***ITY.—Section 1413 of title 10, United States Code, is re-***  
9           ***pealed.***

10          ***(c) PAYMENT OF INCREASED RETIRED PAY COSTS***  
11          ***DUE TO CONCURRENT RECEIPT.—(1) Section 1465(b) of***  
12          ***such title is amended by adding at the end the following***  
13          ***new paragraph:***

14           ***“(3) At the same time that the Secretary of Defense***  
15           ***makes the determination required by paragraph (1) for any***  
16           ***fiscal year, the Secretary shall determine the amount of the***  
17           ***Treasury contribution to be made to the Fund for the next***  
18           ***fiscal year under section 1466(b)(2)(D) of this title. That***  
19           ***amount shall be determined in the same manner as the de-***  
20           ***termination under paragraph (1) of the total amount of De-***  
21           ***partment of Defense contributions to be made to the Fund***  
22           ***during that fiscal year under section 1466(a) of this title,***  
23           ***except that for purposes of this paragraph the Secretary,***  
24           ***in making the calculations required by subparagraphs (A)***  
25           ***and (B) of that paragraph, shall use the single level percent-***

1 *ages determined under subsection (c)(4), rather than those*  
 2 *determined under subsection (c)(1).”.*

3 *(2) Section 1465(c) of such title is amended—*

4 *(A) in paragraph (1)—*

5 *(i) in subparagraph (A), by inserting before*  
 6 *the semicolon at the end the following: “, to be*  
 7 *determined without regard to section 1414 of this*  
 8 *title”;*

9 *(ii) in subparagraph (B), by inserting be-*  
 10 *fore the period at the end the following: “, to be*  
 11 *determined without regard to section 1414 of this*  
 12 *title”; and*

13 *(iii) in the sentence following subparagraph*  
 14 *(B), by striking “subsection (b)” and inserting*  
 15 *“subsection (b)(1)”;*

16 *(B) by redesignating paragraph (4) as para-*  
 17 *graph (5); and*

18 *(C) by inserting after paragraph (3) the fol-*  
 19 *lowing new paragraph (4):*

20 *“(4) Whenever the Secretary carries out an actuarial*  
 21 *valuation under paragraph (1), the Secretary shall include*  
 22 *as part of such valuation the following:*

23 *“(A) A determination of a single level percentage*  
 24 *determined in the same manner as applies under sub-*

1       *paragraph (A) of paragraph (1), but based only upon*  
 2       *the provisions of section 1414 of this title.*

3               *“(B) A determination of a single level percentage*  
 4       *determined in the same manner as applies under sub-*  
 5       *paragraph (B) of paragraph (1), but based only upon*  
 6       *the provisions of section 1414 of this title.*

7       *Such single level percentages shall be used for the purposes*  
 8       *of subsection (b)(3).”.*

9       *(3) Section 1466(b) of such title is amended—*

10            *(A) in paragraph (1), by striking “sections*  
 11       *1465(a) and 1465(c)” and inserting “sections*  
 12       *1465(a), 1465(b)(3), 1465(c)(2), and 1465(c)(3)”;* and

13            *(B) by adding at the end of paragraph (2) the*  
 14       *following new subparagraph:*

15            *“(D) The amount for that year determined by*  
 16       *the Secretary of Defense under section 1465(b)(3) of*  
 17       *this title for the cost to the Fund arising from in-*  
 18       *creased amounts payable from the Fund by reason of*  
 19       *section 1414 of this title.”.*

20       *(d) CLERICAL AMENDMENTS.—The table of sections at*  
 21       *the beginning of chapter 71 of such title is amended—*

22            *(1) by striking the item relating to section 1413;*  
 23       *and*

24            *(2) by striking the item relating to section 1414*  
 25       *and inserting the following:*

*“1414. Members eligible for retired pay who have service-connected disabilities rated at 60 percent or higher: concurrent payment of retired pay and veterans’ disability compensation.”.*

1        *(e) EFFECTIVE DATE.—The amendments made by this*  
 2 *section shall apply with respect to retired pay payable for*  
 3 *months after September 2002.*

4    **SEC. 642. CHANGE IN SERVICE REQUIREMENTS FOR ELIGI-**  
 5                                    **BILITY FOR RETIRED PAY FOR NON-REGULAR**  
 6                                    **SERVICE.**

7        *(a) REDUCTION IN REQUIREMENT FOR YEARS OF RE-*  
 8 *SERVE COMPONENT SERVICE BEFORE RETIRED PAY ELIGI-*  
 9 *BILITY.—Section 12731(a)(3) of title 10, United States*  
 10 *Code, is amended by striking “eight years” and inserting*  
 11 *“six years”.*

12        *(b) EFFECTIVE DATE.—The amendment made by sub-*  
 13 *section (a) shall take effect on October 1, 2002.*

14    **SEC. 643. ELIMINATION OF POSSIBLE INVERSION IN RE-**  
 15                                    **TIRED PAY COST-OF-LIVING ADJUSTMENT**  
 16                                    **FOR INITIAL COLA COMPUTATION.**

17        *(a) ELIMINATION OF POSSIBLE COLA INVERSION.—*  
 18 *Section 1401a of title 10, United States Code, is amended—*

19                    *(1) in subsections (c)(1), (d), and (e), by insert-*  
 20 *ing “but subject to subsection (f)(2)” after “Notwith-*  
 21 *standing subsection (b)”;*

22                    *(2) in subsection (c)(2), by inserting “(subject to*  
 23 *subsection (f)(2) as applied to other members whose*  
 24 *retired pay is computed on the current rates of basic*

1        *pay in the most recent adjustment under this sec-*  
 2        *tion)” after “shall be increased”; and*

3                *(3) in subsection (f)—*

4                        *(A) by designating the text after the sub-*  
 5                        *section heading as paragraph (1), indenting that*  
 6                        *text two ems, and inserting “(1) PREVENTION OF*  
 7                        *RETIRED PAY INVERSIONS.—” before “Notwith-*  
 8                        *standing”; and*

9                        *(2) by adding at the end the following new*  
 10                       *paragraph:*

11                        *“(2) PREVENTION OF COLA INVERSIONS.—The*  
 12                        *percentage of the first adjustment under this section*  
 13                        *in the retired pay of any person, as determined under*  
 14                        *subsection (c)(1), (c)(2), (d), or (e), may not exceed*  
 15                        *the percentage increase in retired pay determined*  
 16                        *under subsection (b)(2) that is effective on the same*  
 17                        *date as the effective date of such first adjustment.”.*

18                *(b) TECHNICAL AMENDMENTS.—Such section is fur-*  
 19        *ther amended—*

20                        *(1) in subsection (d), by inserting “or on or after*  
 21                        *August 1, 1986, if the member or former member did*  
 22                        *not elect to receive a bonus under section 322 of title*  
 23                        *37” after “August 1, 1986,”; and*



1           (2) in subsection (e), by inserting “and elected to  
2       receive a bonus under section 322 of title 37” after  
3       “August 1, 1986,”.

4   **SEC. 644. TECHNICAL REVISIONS TO SO-CALLED “FORGOT-**  
5                           **TEN WIDOWS” ANNUITY PROGRAM.**

6       (a) *CLARIFICATION OF ELIGIBILITY.*—Subsection  
7   (a)(1) of section 644 of the National Defense Authorization  
8   Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C.  
9   1448 note) is amended—

10           (1) in subparagraph (A), by inserting after  
11       “(A)” the following: “became entitled to retired or re-  
12       tainer pay before September 21, 1972,”; and

13           (2) in subparagraph (B), by striking “was a  
14       member of a reserve component of the Armed Forces”  
15       and inserting “died”.

16       (b) *CLARIFICATION OF INTERACTION WITH OTHER*  
17   *BENEFITS.*—(1) Subsection (a)(2) of such section is amend-  
18   ed by striking “and who” and all that follows through  
19   “note)”.

20       (2) Subsection (b)(2) of such section is amended to  
21   read as follows:

22       “(2) The amount of an annuity to which a surviving  
23   spouse is entitled under this section for any period shall  
24   be reduced (but not below zero) by any amount paid to that

1 *surviving spouse for the same period under any of the fol-*  
 2 *lowing provisions of law:*

3           “(A) Section 1311(a) of title 38, United States  
 4       Code (relating to dependency and indemnity com-  
 5       pensation payable by the Secretary of Veterans Af-  
 6       fairs).

7           “(B) Chapter 73 of title 10, United States Code.

8           “(C) Section 4 of Public Law 92–425 (10 U.S.C.  
 9       1448 note).”.

10       (c) *CLARIFICATION OF DEFINITION OF SURVIVING*  
 11 *SPOUSE.*—Subsection (d)(2) of such section is amended by  
 12 striking “the terms” and all that follows through “and (8)”  
 13 and inserting “such term in paragraph (9)”.

14       (d) *CLARIFICATION OF EFFECTIVE DATE OF BENE-*  
 15 *FITS.*—Subsection (e) of such section is amended—

16           (1) in paragraph (1), by striking “the month in  
 17       which this Act is enacted” and inserting “November  
 18       1997”;

19           (2) in paragraph (2), by striking “the first  
 20       month that begins after the month in which this Act  
 21       is enacted” and inserting “December 1997”; and

22           (3) by adding at the end the following new para-  
 23       graph:

24       “(3) In the case of a person entitled to an annuity  
 25 under this section who applies for the annuity after the date

1 *of the enactment of this paragraph, such annuity shall be*  
 2 *paid only for months beginning after the date on which such*  
 3 *application is submitted.”.*

4 *(e) SPECIFICATION IN LAW OF CURRENT BENEFIT*  
 5 *AMOUNT.—Subsection (b) of such section is amended—*

6 *(1) in paragraph (1), by striking “\$165” and in-*  
 7 *serting “\$185.58”; and*

8 *(2) in paragraph (3)—*

9 *(A) by striking “the date of the enactment*  
 10 *of this Act” and inserting “May 1, 2002,”; and*

11 *(B) by striking the last sentence.*

12 ***Subtitle E—Reserve Component***  
 13 ***Montgomery GI Bill***

14 ***SEC. 651. EXTENSION OF MONTGOMERY GI BILL-SELECTED***  
 15 ***RESERVE ELIGIBILITY PERIOD.***

16 *Section 16133(a) of title 10, United States Code, is*  
 17 *amended by striking “10-year” and inserting “14-year”.*

18 ***Subtitle F—Other Matters***

19 ***SEC. 661. ADDITION OF DEFINITION OF CONTINENTAL***  
 20 ***UNITED STATES IN TITLE 37.***

21 *(a) DEFINITION.—Section 101(1) of title 37, United*  
 22 *States Code, is amended by adding at the end the following*  
 23 *new sentence: “The term ‘continental United States’ means*  
 24 *the 48 contiguous States and the District of Columbia.”.*

1       (b) *CONFORMING AMENDMENTS.—Title 37, United*  
2 *States Code, is amended as follows:*

3           (1) *Section 314(a)(3) is amended by striking*  
4 *“the 48 contiguous States and the District of Colum-*  
5 *bia” and inserting “the continental United States”.*

6           (2) *Section 403b(i) is amended by striking para-*  
7 *graph (6).*

8           (3) *Section 409 is amended by striking sub-*  
9 *section (e).*

10          (4) *Section 411b(a) is amended by striking “the*  
11 *48 contiguous States and the District of Columbia”*  
12 *both places it appears and inserting “the continental*  
13 *United States”.*

14          (5) *Section 411d is amended by striking sub-*  
15 *section (d).*

16          (6) *Section 430 is amended by striking sub-*  
17 *section (f) and inserting the following new subsection*  
18 *(f):*

19       “(f) *DEFINITIONS.—In this section:*

20           “(1) *The term ‘formal education’ means the fol-*  
21 *lowing:*

22               “(A) *A secondary education.*

23               “(B) *An undergraduate college education.*

1           “(C) *A graduate education pursued on a*  
 2           *full-time basis at an institution of higher edu-*  
 3           *cation.*

4           “(D) *Vocational education pursued on a*  
 5           *full-time basis at a postsecondary vocational in-*  
 6           *stitution.*

7           “(2) *The term ‘institution of higher education’*  
 8           *has the meaning given that term in section 101 of the*  
 9           *Higher Education Act of 1965 (20 U.S.C. 1001).*

10          “(3) *The term ‘postsecondary vocational institu-*  
 11          *tion’ has the meaning given that term in section*  
 12          *102(c) of the Higher Education Act of 1965 (20*  
 13          *U.S.C. 1002(c)).’.*

14           ***TITLE VII—HEALTH CARE***  
 15           ***MATTERS***  
 16          ***Subtitle A—Health Care Program***  
 17           ***Improvements***

18          ***SEC. 701. ELIMINATION OF REQUIREMENT FOR TRICARE***  
 19                   ***PREAUTHORIZATION OF INPATIENT MENTAL***  
 20                   ***HEALTH CARE FOR MEDICARE-ELIGIBLE***  
 21                   ***BENEFICIARIES.***

22          *(a) ELIMINATION OF REQUIREMENT.—Section 1079(i)*  
 23          *of title 10, United States Code, is amended in paragraph*  
 24          *(3) by inserting “or in the case of a person eligible for*  
 25          *health care benefits under section 1086(d)(2) of this title*

1 *for whom payment for such services is made under sub-*  
 2 *section 1086(d)(3) of this title” after “an emergency”.*

3 *(b) EFFECTIVE DATE.—The amendment made by sub-*  
 4 *section (a) shall take effect October 1, 2004.*

5 **SEC. 702. EXPANSION OF TRICARE PRIME REMOTE FOR**  
 6 **CERTAIN DEPENDENTS.**

7 *(a) EXPANSION OF ELIGIBILITY.—Section 1079(p) of*  
 8 *title 10, United States Code, is amended in paragraph*  
 9 *(1)—*

10 *(1) by inserting “(A)” after “(1)”;*

11 *(2) by striking “referred to in subsection (a) of*  
 12 *a member of the uniformed services referred to in*  
 13 *1074(c)(3) of this title who are residing with the*  
 14 *member” and inserting “described in subparagraph*  
 15 *(B)”;* and

16 *(3) by adding at the end the following new sub-*  
 17 *paragraph:*

18 *“(B) A dependent referred to in subparagraph (A) is—*

19 *“(i) a dependent referred to in subsection (a) of*  
 20 *a member of the uniformed services referred to in sec-*  
 21 *tion 1074(c)(3) of this title, who is residing with the*  
 22 *member; or*

23 *“(ii) a dependent referred to in subsection (a) of*  
 24 *a member of the uniformed services with a permanent*  
 25 *duty assignment for which the dependent is not au-*

1 *thorized to accompany the member and one of the fol-*  
 2 *lowing circumstances exists:*

3 *“(I) The dependent continues to reside at*  
 4 *the location of the former duty assignment of the*  
 5 *member (or residence in the case of a member of*  
 6 *a reserve component ordered to active duty for a*  
 7 *period of more than 30 days), and that location*  
 8 *is more than 50 miles, or approximately one*  
 9 *hour of driving time, from the nearest military*  
 10 *medical treatment facility that can adequately*  
 11 *provide needed health care.*

12 *“(II) There is no reasonable expectation the*  
 13 *member will return to the location of the former*  
 14 *duty assignment, and the dependent moves to a*  
 15 *location that is more than 50 miles, or approxi-*  
 16 *mately one hour of driving time, from the near-*  
 17 *est military medical treatment facility that can*  
 18 *adequately provide needed health care.”.*

19 *(b) EFFECTIVE DATE.—The amendments made by sub-*  
 20 *section (a) shall take effect October 1, 2002.*

21 **SEC. 703. ENABLING DEPENDENTS OF CERTAIN MEMBERS**  
 22 **WHO DIED WHILE ON ACTIVE DUTY TO EN-**  
 23 **ROLL IN THE TRICARE DENTAL PROGRAM.**

24 *Section 1076a(k)(2) of title 10, United States Code, is*  
 25 *amended by inserting “(or, if not enrolled, if the member*

1 *discontinued participation under subsection (f))” after*  
 2 *“subsection (a)”.*

3 **SEC. 704. IMPROVEMENTS REGARDING THE DEPARTMENT**  
 4 **OF DEFENSE MEDICARE-ELIGIBLE RETIREE**  
 5 **HEALTH CARE FUND.**

6 *(a) SOURCE OF FUNDS FOR MONTHLY ACCRUAL PAY-*  
 7 *MENTS INTO THE FUND.—Section 1116(c) of title 10,*  
 8 *United States Code, is amended to read as follows:*

9 *“(c) Amounts paid into the Fund under subsection (a)*  
 10 *shall be paid from funds available for the pay of members*  
 11 *of the participating uniformed services under the jurisdic-*  
 12 *tion of the respective administering Secretaries.”.*

13 *(b) MANDATORY PARTICIPATION OF OTHER UNI-*  
 14 *FORMED SERVICES.—Section 1111(c) of such title is*  
 15 *amended—*

16 *(1) in the first sentence, by striking “may enter*  
 17 *into an agreement with any other administering Sec-*  
 18 *retary” and inserting “shall enter into an agreement*  
 19 *with each other administering Secretary”; and*

20 *(2) in the second sentence, by striking “Any”*  
 21 *and inserting “Each”.*



1 **SEC. 705. CERTIFICATION OF INSTITUTIONAL AND NON-IN-**  
 2 **STITUTIONAL PROVIDERS UNDER THE**  
 3 **TRICARE PROGRAM.**

4 (a) *IN GENERAL.*—Section 1079 of title 10, United  
 5 States Code, is amended by adding at the end the following  
 6 new subsection:

7 “(q) For purposes of designating institutional and  
 8 non-institutional health care providers authorized to pro-  
 9 vide care under this section, the Secretary of Defense shall  
 10 prescribe regulations (in consultation with the other admin-  
 11 istering Secretaries) that will, to the extent practicable and  
 12 subject to the limitations of subsection (a), so designate any  
 13 provider authorized to provide care under title XVIII of the  
 14 Social Security Act (42 U.S.C. 1395 et seq.).”.

15 (b) *EFFECTIVE DATE.*—The amendment made by sub-  
 16 section (a) shall take effect October 1, 2003.

17 **SEC. 706. TECHNICAL CORRECTION REGARDING TRANSI-**  
 18 **TIONAL HEALTH CARE.**

19 *Effective as of December 28, 2001, section 1145(a)(1)*  
 20 *of title 10, United States Code, is amended by inserting*  
 21 *“(and the dependents of the member)” after “separated from*  
 22 *active duty as described in paragraph (2)”. The amendment*  
 23 *made by the preceding sentence shall be deemed to have been*  
 24 *enacted as part of section 736 of the National Defense Au-*  
 25 *thorization Act for Fiscal Year 2002 (Public Law 107–107).*

## ***Subtitle B—Reports***

### ***SEC. 711. COMPTROLLER GENERAL REPORT ON TRICARE CLAIMS PROCESSING.***

*Not later than March 31, 2003, the Comptroller General shall submit to Congress an evaluation of the continuing impediments to a cost effective and provider- and beneficiary-friendly system for claims processing under the TRICARE program. The evaluation shall include a discussion of the following:*

*(1) The extent of progress implementing improvements in claims processing, particularly regarding the application of best industry practices.*

*(2) The extent of progress in simplifying claims processing procedures, including the elimination of, or reduction in, the complexity of the Health Care Service Record requirements.*

*(3) The suitability of a medicare-compatible claims processing system with the data requirements necessary to administer the TRICARE program and related information systems.*

*(4) The extent to which the claims processing system for the TRICARE program impedes provider participation and beneficiary access.*

*(5) Recommendations for improving the claims processing system that will reduce processing and ad-*

1        *ministration costs, create greater competition, and*  
2        *improve fraud-prevention activities.*

3        **SEC. 712. COMPTROLLER GENERAL REPORT ON PROVISION**  
4        **OF CARE UNDER THE TRICARE PROGRAM.**

5        *Not later than March 31, 2003, the Comptroller Gen-*  
6        *eral shall submit to Congress an evaluation of the nature*  
7        *of, reasons for, extent of, and trends regarding network pro-*  
8        *vider instability under the TRICARE program, and the ef-*  
9        *fectiveness of efforts by the Department of Defense and man-*  
10       *aged care support contractors to measure and mitigate such*  
11       *instability. The evaluation shall include a discussion of the*  
12       *following:*

13                (1) *The adequacy of measurement tools of*  
14        *TRICARE network instability and their use by the*  
15        *Department of Defense and managed care support*  
16        *contractors to assess network adequacy and stability.*

17                (2) *Recommendations for improvements needed*  
18        *in measurement tools or their application.*

19                (3) *The relationship of reimbursement rates and*  
20        *administration requirements (including*  
21        *preauthorization requirements) to TRICARE network*  
22        *instability.*

23                (4) *The extent of problems under the TRICARE*  
24        *program and likely future trends with and without*  
25        *intervention using existing authority.*

1           (5) *Use of existing authority by the Department*  
 2           *of Defense and TRICARE managed care support con-*  
 3           *tractors to apply higher reimbursement rates in spe-*  
 4           *cific geographic areas.*

5           (6) *Recommendations for specific fiscally pru-*  
 6           *dent measures that could mitigate negative trends or*  
 7           *improve provider and network stability.*

8   **SEC. 713. REPEAL OF REPORT REQUIREMENT.**

9           *Notwithstanding subsection (f)(2) of section 712 of the*  
 10          *Floyd D. Spence National Defense Authorization Act for*  
 11          *Fiscal Year 2001 (as enacted into law by Public Law 106-*  
 12          *398; 114 Stat. 1654A–179), the amendment made by sub-*  
 13          *section (e) of such section shall not take effect and the para-*  
 14          *graph amended by such subsection is repealed.*

15   **Subtitle C—Department of Defense-**  
 16          **Department of Veterans Affairs**  
 17          **Health Resources Sharing**

18   **SEC. 721. SHORT TITLE.**

19          *This subtitle may be cited as the “Department of De-*  
 20          *fense-Department of Veterans Affairs Health Resources*  
 21          *Sharing and Performance Improvement Act of 2002”.*

1 **SEC. 722. FINDINGS AND SENSE OF CONGRESS CON-**  
2 **CERNING STATUS OF HEALTH RESOURCES**  
3 **SHARING BETWEEN THE DEPARTMENT OF**  
4 **VETERANS AFFAIRS AND THE DEPARTMENT**  
5 **OF DEFENSE.**

6 (a) *FINDINGS.*—Congress makes the following findings:

7 (1) *Federal health care resources are scarce and*  
8 *thus should be effectively and efficiently used.*

9 (2) *In 1982, Congress, in Public Law 97–174,*  
10 *authorized the sharing of health resources between De-*  
11 *partment of Defense medical treatment facilities and*  
12 *Department of Veterans Affairs health care facilities*  
13 *in order to allow more effective and efficient use of*  
14 *those health resources.*

15 (3) *Health care beneficiaries of the Departments*  
16 *of Defense and Veterans Affairs, whether active*  
17 *servicemembers, veterans, retirees, or family members*  
18 *of active or retired servicemembers, should have full*  
19 *access to the health care and services that Congress*  
20 *has authorized for them.*

21 (4) *The Secretary of Defense and the Secretary*  
22 *of Veterans Affairs, and the appropriate officials of*  
23 *each of the Departments of Defense and Veterans Af-*  
24 *airs with responsibilities related to health care, have*  
25 *not taken full advantage of the opportunities provided*  
26 *by law to make their respective health resources avail-*

1        *able to health care beneficiaries of the other Depart-*  
2        *ment in order to provide improved health care for the*  
3        *whole number of beneficiaries.*

4            *(5) After the many years of support and encour-*  
5        *agement from Congress, the Departments have made*  
6        *little progress in health resource sharing and the in-*  
7        *tended results of the sharing authority have not been*  
8        *achieved.*

9        *(b) SENSE OF CONGRESS.—Congress urges the Sec-*  
10       *retary of Defense and the Secretary of Veterans Affairs—*

11           *(1) to commit their respective Departments to*  
12        *significantly improve mutually beneficial sharing and*  
13        *coordination of health care resources and services dur-*  
14        *ing peace and war;*

15           *(2) to build organizational cultures supportive of*  
16        *improved sharing and coordination of health care re-*  
17        *sources and services; and*

18           *(3) to establish and achieve measurable goals to*  
19        *facilitate increased sharing and coordination of*  
20        *health care resources and services.*

21        *(c) PURPOSE.—It is the purpose of this Act—*

22           *(1) to authorize a program to advance mutually*  
23        *beneficial sharing and coordination of health care re-*  
24        *sources between the two Departments consistent with*  
25        *the longstanding intent of Congress; and*

1           (2) *to establish a basis for improved strategic*  
 2           *planning by the Department of Defense and Depart-*  
 3           *ment of Veterans Affairs health systems to ensure that*  
 4           *scarce health care resources are used more effectively*  
 5           *and efficiently in order to enhance access to high*  
 6           *quality health care for their respective beneficiaries.*

7   **SEC. 723. REVISED COORDINATION AND SHARING GUIDE-**  
 8           **LINES.**

9           (a) *IN GENERAL.*—(1) *Section 8111 of title 38, United*  
 10          *States Code, is amended to read as follows:*

11       **“§8111. Sharing of Department of Veterans Affairs**  
 12               **and Department of Defense health care**  
 13               **resources**

14       “(a) *REQUIRED COORDINATION AND SHARING OF*  
 15       *HEALTH CARE RESOURCES.*—*The Secretary of Veterans*  
 16       *Affairs and the Secretary of Defense shall enter into agree-*  
 17       *ments and contracts for the mutually beneficial coordina-*  
 18       *tion, use, or exchange of use of the health care resources*  
 19       *of the Department of Veterans Affairs and the Department*  
 20       *of Defense with the goal of improving the access to, and*  
 21       *quality and cost effectiveness of, the health care provided*  
 22       *by the Veterans Health Administration and the Military*  
 23       *Health System to the beneficiaries of both Departments.*

24       “(b) *JOINT REQUIREMENTS FOR SECRETARIES OF*  
 25       *VETERANS AFFAIRS AND DEFENSE.*—*To facilitate the mu-*

1 *tually beneficial coordination, use, or exchange of use of the*  
2 *health care resources of the two Departments, the two Secre-*  
3 *taries shall carry out the following functions:*

4           “(1) *Develop and publish a joint strategic vision*  
5 *statement and a joint strategic plan to shape, focus,*  
6 *and prioritize the coordination and sharing efforts*  
7 *among appropriate elements of the two Departments*  
8 *and incorporate the goals and requirements of the*  
9 *joint sharing plan into the strategic and performance*  
10 *plan of each Department under the Government Per-*  
11 *formance and Results Act.*

12           “(2) *Jointly fund the interagency committee pro-*  
13 *vided for under subsection (c).*

14           “(3) *Continue to facilitate and improve sharing*  
15 *between individual Department of Veterans Affairs*  
16 *and Department of Defense health care facilities, but*  
17 *giving priority of effort to initiatives (A) that im-*  
18 *prove sharing and coordination of health resources at*  
19 *the intraregional and nationwide levels, and (B) that*  
20 *improve the ability of both Departments to provide*  
21 *coordinated health care.*

22           “(4) *Establish a joint incentive program under*  
23 *subsection (d).*

24           “(c) *DOD–VA HEALTH EXECUTIVE COMMITTEE.—(1)*  
25 *There is established an interagency committee to be known*



1 *as the Department of Veterans Affairs-Department of De-*  
2 *fense Health Executive Committee (hereinafter in this sec-*  
3 *tion referred to as the ‘Committee’). The Committee is com-*  
4 *posed of—*

5           “(A) *the Deputy Secretary of the Department of*  
6           *Veterans Affairs and such other officers and employees*  
7           *of the Department of Veterans Affairs as the Secretary*  
8           *of Veterans Affairs may designate; and*

9           “(B) *the Under Secretary of Defense for Per-*  
10          *sonnel and Readiness and such other officers and em-*  
11          *ployees of the Department of Defense as the Secretary*  
12          *of Defense may designate.*

13          “(2)(A) *During odd-numbered fiscal years, the Deputy*  
14          *Secretary of Veterans Affairs shall chair the Committee.*  
15          *During even-numbered fiscal years, the Under Secretary of*  
16          *Defense shall chair the Committee.*

17          “(B) *The Deputy Secretary and the Under Secretary*  
18          *shall determine the size and structure of the Committee, as*  
19          *well as the administrative and procedural guidelines for the*  
20          *operation of the Committee. The two Departments shall*  
21          *share equally the Committee’s cost of personnel and admin-*  
22          *istrative support and services. Support for such purposes*  
23          *shall be provided at a level sufficient for the efficient oper-*  
24          *ation of the Committee, including a permanent staff and,*

1 *as required, other temporary working groups of appropriate*  
2 *departmental staff and outside experts.*

3       “(3) *The Committee shall recommend to the Secretaries*  
4 *strategic direction for the joint coordination and sharing*  
5 *efforts between and within the two Departments under this*  
6 *section and shall oversee implementation of those efforts.*

7       “(4) *The Committee shall submit to the two Secretaries*  
8 *and to Congress an annual report containing such rec-*  
9 *ommendations as the Committee considers appropriate. The*  
10 *two Secretaries shall implement the Committee’s rec-*  
11 *ommendations unless, with respect to any such rec-*  
12 *ommendation, either Secretary formally determines that the*  
13 *recommendation should not be implemented or should be*  
14 *implemented in a modified form. Upon making such a de-*  
15 *termination, the Secretary making the determination shall*  
16 *submit to Congress notice of the Secretary’s determination*  
17 *and the Secretary’s rationale for the determination.*

18       “(5) *In order to enable the Committee to make rec-*  
19 *ommendations in its annual report under paragraph (4),*  
20 *the Committee shall do the following:*

21               “(A) *Review existing policies, procedures, and*  
22 *practices relating to the coordination and sharing of*  
23 *health care resources between the two Departments.*

24               “(B) *Identify changes in policies, procedures,*  
25 *and practices that, in the judgment of the Committee,*

1     *would promote mutually beneficial coordination, use,*  
2     *or exchange of use of the health care resources of the*  
3     *two Departments, with the goal of improving the ac-*  
4     *cess to, and quality and cost effectiveness of, the*  
5     *health care provided by the Veterans Health Adminis-*  
6     *tration and the Military Health System to the bene-*  
7     *ficiaries of both Departments.*

8             *“(C) Identify and assess further opportunities for*  
9     *the coordination and sharing of health care resources*  
10    *between the Departments that, in the judgment of the*  
11    *Committee, would not adversely affect the range of*  
12    *services, the quality of care, or the established prior-*  
13    *ities for care provided by either Department.*

14            *“(D) Review the plans of both Departments for*  
15    *the acquisition of additional health care resources, es-*  
16    *pecially new facilities and major equipment and tech-*  
17    *nology, in order to assess the potential effect of such*  
18    *plans on further opportunities for the coordination*  
19    *and sharing of health care resources.*

20            *“(E) Review the implementation of activities de-*  
21    *signed to promote the coordination and sharing of*  
22    *health care resources between the Departments. To as-*  
23    *sist in this effort, the Committee chairman, under*  
24    *procedures jointly developed by the Secretaries of both*

1        *Departments, may task the Inspectors General of ei-*  
2        *ther or both Departments.*

3        “(d) *JOINT INCENTIVES PROGRAM.—(1) Pursuant to*  
4        *subsection (b)(4), the two Secretaries shall carry out a pro-*  
5        *gram to identify, provide incentives to, implement, fund,*  
6        *and evaluate creative coordination and sharing initiatives*  
7        *at the facility, intraregional and nationwide levels. The*  
8        *program shall be administered by the Committee established*  
9        *in subsection (c), under procedures jointly prescribed by the*  
10       *two Secretaries.*

11       “(2) *To facilitate the incentive program, there is estab-*  
12       *lished in the Treasury, effective on October 1, 2003, a*  
13       *DOD–VA Health Care Sharing Incentive Fund. Each Sec-*  
14       *retary shall annually contribute to the fund a minimum*  
15       *of \$15,000,000 from the funds appropriated to that Sec-*  
16       *retary’s Department. Such funds shall remain available*  
17       *until expended.*

18       “(3)(A) *The implementation and effectiveness of the*  
19       *program under this subsection shall be reviewed annually*  
20       *by the joint Department of Defense–Department of Veterans*  
21       *Affairs Inspector General review team established in section*  
22       *724(i) of the Department of Defense–Department of Veterans*  
23       *Affairs Health Resources Sharing and Performance Im-*  
24       *provement Act of 2002. On completion of the annual review,*  
25       *the review team shall submit a report to the two Secretaries*

1 *on the results of the review. Such report shall be submitted*  
2 *through the Committee to the Secretaries not later than De-*  
3 *cember 31 of each calendar year. The Secretaries shall for-*  
4 *ward each report, without change, to the Committees on*  
5 *Armed Services and Veterans' Affairs of the Senate and*  
6 *House of Representatives not later than February 28 of the*  
7 *following year.*

8       “(B) *Each such report shall describe activities carried*  
9 *out under the program under this subsection during the pre-*  
10 *ceding fiscal year. Each report shall include at least the*  
11 *following:*

12               “(i) *An analysis of the initiatives funded by the*  
13 *Committee, and the funds so expended by such initia-*  
14 *tives, from the Health Care Sharing Incentive Fund,*  
15 *including the purposes and effects of those initiatives*  
16 *on improving access to care by beneficiaries, improve-*  
17 *ments in the quality of care received by those bene-*  
18 *ficiaries, and efficiencies gained in delivering services*  
19 *to those beneficiaries.*

20               “(ii) *Other matters of interest, including rec-*  
21 *ommendations from the review team to make legisla-*  
22 *tive improvements to the program.*

23       “(4) *The program under this subsection shall termi-*  
24 *nate on September 30, 2007.*

1       “(e) *GUIDELINES AND POLICIES FOR IMPLEMENTA-*  
2 *TION OF COORDINATION AND SHARING RECOMMENDATIONS,*  
3 *CONTRACTS, AND AGREEMENTS.—(1) To implement the rec-*  
4 *ommendations made by the Committee under subsection*  
5 *(c)(2), as well as to carry out other health care contracts*  
6 *and agreements for coordination and sharing initiatives as*  
7 *they consider appropriate, the two Secretaries shall jointly*  
8 *issue guidelines and policy directives. Such guidelines and*  
9 *policies shall provide for coordination and sharing that—*

10           “(A) *is consistent with the health care respon-*  
11 *sibilities of the Department of Veterans Affairs under*  
12 *this title and with the health care responsibilities of*  
13 *the Department of Defense under chapter 55 of title*  
14 *10;*

15           “(B) *will not adversely affect the range of serv-*  
16 *ices, the quality of care, or the established priorities*  
17 *for care provided by either Department; and*

18           “(C) *will not reduce capacities in certain spe-*  
19 *cialized programs of the Department of Veterans Af-*  
20 *airs that the Secretary is required to maintain in ac-*  
21 *cordance with section 1706(b) of this title.*

22       “(2) *To facilitate the sharing and coordination of*  
23 *health care services between the two Departments, the two*  
24 *Secretaries shall jointly develop and implement guidelines*  
25 *for a standardized, uniform payment and reimbursement*

1 *schedule for those services. Such schedule shall be imple-*  
2 *mented no later than the beginning of fiscal year 2004 and*  
3 *shall be revised periodically as necessary.*

4       “(3)(A) *The guidelines established under paragraph*  
5 *(1) shall authorize the heads of individual Department of*  
6 *Defense and Department of Veterans Affairs medical facili-*  
7 *ties and service regions to enter into health care resources*  
8 *coordination and sharing agreements.*

9       “(B) *Under any such agreement, an individual who*  
10 *is a primary beneficiary of one Department may be pro-*  
11 *vided health care, as provided in the agreement, at a facil-*  
12 *ity or in the service region of the other Department that*  
13 *is a party to the sharing agreement.*

14       “(C) *Each such agreement shall identify the health*  
15 *care resources to be shared.*

16       “(D) *Each such agreement shall provide, and shall*  
17 *specify procedures designed to ensure, that the availability*  
18 *of direct health care to individuals who are not primary*  
19 *beneficiaries of the providing Department is (i) on a refer-*  
20 *ral basis from the facility or service region of the other De-*  
21 *partment, and (ii) does not (as determined by the head of*  
22 *the providing facility or region) adversely affect the range*  
23 *of services, the quality of care, or the established priorities*  
24 *for care provided to the primary beneficiaries of the pro-*  
25 *viding Department.*

1       “(E) *Each such agreement shall provide that a pro-*  
2 *viding Department or service region shall be reimbursed for*  
3 *the cost of the health care resources provided under the*  
4 *agreement and that the rate of such reimbursement shall*  
5 *be as determined in accordance with paragraph (2).*

6       “(F) *Each proposal for an agreement under this para-*  
7 *graph shall be effective (i) on the 46th day after the receipt*  
8 *of such proposal by the Committee, unless earlier dis-*  
9 *approved, or (ii) if earlier approved by the Committee, on*  
10 *the date of such approval.*

11       “(G) *Any funds received through such a uniform pay-*  
12 *ment and reimbursement schedule shall be credited to funds*  
13 *that have been allotted to the facility of either Department*  
14 *that provided the care or services, or is due the funds from,*  
15 *any such agreement.*

16       “(f) *ANNUAL JOINT REPORT.—(1) At the time the*  
17 *President’s budget is transmitted to Congress in any year*  
18 *pursuant to section 1105 of title 31, the two Secretaries*  
19 *shall submit to Congress a joint report on health care co-*  
20 *ordination and sharing activities under this section during*  
21 *the fiscal year that ended during the previous calendar*  
22 *year.*

23       “(2) *Each report under this section shall include the*  
24 *following:*



1           “(A) *The guidelines prescribed under subsection*  
2           *(e) of this section (and any revision of such guide-*  
3           *lines).*

4           “(B) *The assessment of further opportunities*  
5           *identified under subparagraph (C) of subsection (c)(5)*  
6           *for the sharing of health-care resources between the*  
7           *two Departments.*

8           “(C) *Any recommendation made under sub-*  
9           *section (c)(4) of this section during such fiscal year.*

10          “(D) *A review of the sharing agreements entered*  
11          *into under subsection (e) of this section and a sum-*  
12          *mary of activities under such agreements during such*  
13          *fiscal year and a description of the results of such*  
14          *agreements in improving access to, and the quality*  
15          *and cost effectiveness of, the health care provided by*  
16          *the Veterans Health Administration and the Military*  
17          *Health System to the beneficiaries of both Depart-*  
18          *ments.*

19          “(E) *A summary of other planning and activi-*  
20          *ties involving either Department in connection with*  
21          *promoting the coordination and sharing of Federal*  
22          *health-care resources during the preceding fiscal year.*

23          “(F) *Such recommendations for legislation as the*  
24          *two Secretaries consider appropriate to facilitate the*

1       *sharing of health-care resources between the two De-*  
2       *partments.*

3       “(3) *In addition to the matters specified in paragraph*  
4       *(2), the two Secretaries shall include in the annual report*  
5       *under this subsection an overall status report of the progress*  
6       *of health resources sharing between the two Departments as*  
7       *a consequence of the Department of Defense-Department of*  
8       *Veterans Affairs Health Resources Sharing and Perform-*  
9       *ance Improvement Act of 2002 and of other sharing initia-*  
10       *tives taken during the period covered by the report. Such*  
11       *status report shall indicate the status of such sharing and*  
12       *shall include appropriate data as well as analyses of that*  
13       *data. The annual report shall include the following:*

14               “(A) *Enumerations and explanations of major*  
15       *policy decisions reached by the two Secretaries during*  
16       *the period covered by the report period with respect*  
17       *to sharing between the two Departments.*

18               “(B) *A description of any purposes of Depart-*  
19       *ment of Defense-Department of Veterans Affairs*  
20       *Health Resources Sharing and Performance Improve-*  
21       *ment Act of 2002 that presented barriers that could*  
22       *not be overcome by the two Secretaries and their sta-*  
23       *tus at the time of the report.*

24               “(C) *A description of progress made in new ven-*  
25       *tures or particular areas of sharing and coordination*

1       *that would be of policy interest to Congress consistent*  
2       *with the intent of such Act.*

3               “(D) *A description of enhancements of access to*  
4       *care of beneficiaries of both Departments that came*  
5       *about as a result of new sharing approaches brought*  
6       *about by such Act.*

7               “(E) *A description of proposals for which funds*  
8       *are provided through the joint incentives program*  
9       *under subsection (d), together with a description of*  
10       *their results or status at the time of the report, in-*  
11       *cluding access improvements, savings, and quality-of-*  
12       *care enhancements they brought about, and a descrip-*  
13       *tion of any additional use of funds made available*  
14       *under subsection (d).*

15       “(g) *DEFINITIONS.—For the purposes of this section:*

16               “(1) *The term ‘beneficiary’ means a person who*  
17       *is a primary beneficiary of the Department of Vet-*  
18       *erans Affairs or of the Department of Defense.*

19               “(2) *The term ‘direct health care’ means health*  
20       *care provided to a beneficiary in a medical facility*  
21       *operated by the Department or the Department of De-*  
22       *fense.*

23               “(3) *The term ‘head of a medical facility’ (A)*  
24       *with respect to a medical facility of the Department,*  
25       *means the director of the facility, and (B) with re-*

1       *spect to a medical facility of the Department of De-*  
2       *fense, means the medical or dental officer in charge*  
3       *or the contract surgeon in charge.*

4               “(4) *The term ‘health-care resource’ includes hos-*  
5       *pital care, medical services, and rehabilitative serv-*  
6       *ices, as those terms are defined in paragraphs (5),*  
7       *(6), and (8), respectively, of section 1701 of this title,*  
8       *services under sections 1782 and 1783 of this title,*  
9       *any other health-care service, and any health-care*  
10       *support or administrative resource.*

11              “(5) *The term ‘primary beneficiary’ (A) with re-*  
12       *spect to the Department means a person who is eligi-*  
13       *ble under this title (other than under section 1782,*  
14       *1783, or 1784 or subsection (d) of this section) or any*  
15       *other provision of law for care or services in Depart-*  
16       *ment medical facilities, and (B) with respect to the*  
17       *Department of Defense, means a member or former*  
18       *member of the Armed Forces who is eligible for care*  
19       *under section 1074 of title 10.*

20              “(6) *The term ‘providing Department’ means the*  
21       *Department of Veterans Affairs, in the case of care or*  
22       *services furnished by a facility of the Department of*  
23       *Veterans Affairs, and the Department of Defense, in*  
24       *the case of care or services furnished by a facility of*  
25       *the Department of Defense.*

1           “(7) *The term ‘service region’ means a geo-*  
 2           *graphic service area of the Veterans Health Adminis-*  
 3           *tration, in the case of the Department of Veterans Af-*  
 4           *fairs, and a service region, in the case of the Depart-*  
 5           *ment of Defense.”.*

6           (2) *The item relating to that section in the table of*  
 7           *sections at the beginning of chapter 81 of title 38, United*  
 8           *States Code, is amended to read as follows:*

*“8111. Sharing of Department of Veterans Affairs and Department of Defense  
 health care resources.”.*

9           (b) *CONFORMING AMENDMENT.—Section 1104 of title*  
 10          *10, United States Code, is amended by striking “may” and*  
 11          *inserting “shall”.*

12          (c) *EFFECTIVE DATE.—The amendments made by this*  
 13          *section shall take effect on October 1, 2003.*

14          **SEC. 724. HEALTH CARE RESOURCES SHARING AND CO-**  
 15          **ORDINATION PROJECT.**

16          (a) *ESTABLISHMENT.—(1) The Secretary of Veterans*  
 17          *Affairs and the Secretary of Defense shall conduct a health*  
 18          *care resources sharing project to serve as a test for evalu-*  
 19          *ating the feasibility, and the advantages and disadvantages,*  
 20          *of measures and programs designed to improve the sharing*  
 21          *and coordination of health care and health care resources*  
 22          *between the Department of Veterans Affairs and the Depart-*  
 23          *ment of Defense. The project shall be carried out, as a min-*  
 24          *imum, at the sites identified under subsection (b).*

1       (2) *Reimbursement between the two Departments with*  
 2 *respect to the project under this section shall be made in*  
 3 *accordance with the provisions of section 8111(e)(2) of title*  
 4 *38, United States Code, as amended by section 723(a).*

5       (b) *SITE IDENTIFICATION.*—(1) *Not later than 90 days*  
 6 *after the date of the enactment of this Act, the Secretaries*  
 7 *shall jointly identify no less than five sites for the conduct*  
 8 *of the project under this section.*

9       (2) *For purposes of this section, a site at which the*  
 10 *resource sharing project shall be carried out is an area in*  
 11 *the United States in which—*

12           (A) *one or more military treatment facilities and*  
 13 *one or more VA health care facilities are situated in*  
 14 *relative proximity to each other, including facilities*  
 15 *engaged in joint ventures as of the date of the enact-*  
 16 *ment of this Act; and*

17           (B) *for which an agreement to coordinate care*  
 18 *and programs for patients at those facilities could be*  
 19 *implemented not later than October 1, 2004.*

20       (c) *CONDUCT OF PROJECT.*—(1) *At sites at which the*  
 21 *project is conducted, the Secretaries shall provide a test of*  
 22 *a coordinated management system for the military treat-*  
 23 *ment facilities and VA health care facilities participating*  
 24 *in the project. Such a coordinated management system for*  
 25 *a site shall include at least one of the elements specified*

1 *in paragraph (2), and each of the elements specified in that*  
2 *paragraph must be included in the coordinated manage-*  
3 *ment system for at least two of the participating sites.*

4 *(2) Elements of a coordinated management system re-*  
5 *ferred to in paragraph (1) are the following:*

6 *(A) A budget and financial management system*  
7 *for those facilities that—*

8 *(i) provides managers with information*  
9 *about the costs of providing health care by both*  
10 *Departments at the site;*

11 *(ii) allows managers to assess the advan-*  
12 *tages and disadvantages (in terms of relative*  
13 *costs, benefits, and opportunities) of using re-*  
14 *sources of either Department to provide or en-*  
15 *hance health care to beneficiaries of either De-*  
16 *partment.*

17 *(B) A coordinated staffing and assignment sys-*  
18 *tem for the personnel (including contract personnel)*  
19 *employed at or assigned to those facilities, including*  
20 *clinical practitioners of either Department.*

21 *(C) Medical information and information tech-*  
22 *nology systems for those facilities that—*

23 *(i) are compatible with the purposes of the*  
24 *project;*

1                   (ii) communicate with medical information  
2                   and information technology systems of cor-  
3                   responding elements of those facilities; and

4                   (iii) incorporate minimum standards of in-  
5                   formation quality that are at least equivalent to  
6                   those adopted for the Departments at large in  
7                   their separate health care systems.

8           (d) *PHARMACY BENEFIT.*—(1) One of the elements that  
9           shall be tested in at least two sites in accordance with sub-  
10          section (c) is a pharmacy benefit under which beneficiaries  
11          of either Department shall have access, as part of the  
12          project, to pharmaceutical services of the other Department  
13          participating in the project.

14          (2) The two Secretaries shall enter into a memo-  
15          randum of agreement to govern the establishment and pro-  
16          vision not later than October 1, 2004, of pharmaceutical  
17          services authorized by this section. In the case of bene-  
18          ficiaries of the Department of Defense, the authority under  
19          the preceding sentence for such access to pharmaceutical  
20          services at a VA health care facility includes authority for  
21          medications to be dispensed based upon a prescription writ-  
22          ten by a licensed health care practitioner who, as deter-  
23          mined by the Secretary of Defense, is a certified practi-  
24          tioner.



1       (e) *AUTHORITY TO WAIVE CERTAIN ADMINISTRATIVE*  
2 *POLICIES.*—(1)(A) *In order to carry out subsections (c) and*  
3 *(d), the Secretary of Defense may, in the Secretary’s discre-*  
4 *tion, waive any administrative policy of the Department*  
5 *of Defense otherwise applicable to those subsections (includ-*  
6 *ing policies applicable to pharmaceutical benefits) that spe-*  
7 *cifically conflicts with the purposes of the project, in in-*  
8 *stances in which the Secretary determines that the waiver*  
9 *is necessary for the purposes of the project.*

10       (B) *In order to carry out subsections (c) and (d), the*  
11 *Secretary of Veterans Affairs may, in the Secretary’s discre-*  
12 *tion, waive any administrative policy of the Department*  
13 *of Veterans Affairs otherwise applicable to those subsections*  
14 *(including policies applicable to pharmaceutical benefits)*  
15 *that specifically conflicts with the purposes of the project,*  
16 *in instances in which the Secretary determines that the*  
17 *waiver is necessary for the purposes of the project.*

18       (C) *The two Secretaries shall establish procedures for*  
19 *resolving disputes that may arise from the effects of policy*  
20 *changes that are not covered by other agreement or existing*  
21 *procedures.*

22       (2) *No waiver under paragraph (1) may alter any*  
23 *labor-management agreement in effect as of the date of the*  
24 *enactment of this Act or adopted by either Department dur-*  
25 *ing the period of the project.*

1       (f) *USE BY DOD OF CERTAIN TITLE 38 PERSONNEL*

2 *AUTHORITIES.—(1) In order to carry out subsections (c)*  
 3 *and (d), the Secretary of Defense may apply to civilian per-*  
 4 *sonnel of the Department of Defense assigned to or employed*  
 5 *at a military treatment facility participating in the project*  
 6 *any of the provisions of subchapters I, III, and IV of chap-*  
 7 *ter 74 of title 38, United States Code, determined appro-*  
 8 *priate by the Secretary.*

9       (2) *For such purposes, any reference in such chapter—*

10           (A) *to the “Secretary” or the “Under Secretary*  
 11 *for Health” shall be treated as referring to the Sec-*  
 12 *retary of Defense; and*

13           (B) *to the “Veterans Health Administration”*  
 14 *shall be treated as referring to the Department of De-*  
 15 *fense.*

16       (g) *FUNDING.—From amounts available for health*  
 17 *care for a fiscal year, each Secretary shall make available*  
 18 *to carry out the project not less than—*

19           (1) *\$5,000,000 for fiscal year 2003;*

20           (2) *\$10,000,000 for fiscal year 2004; and*

21           (3) *\$15,000,000 for each succeeding year during*  
 22 *which the project is in effect.*

23       (h) *DEFINITIONS.—For purposes of this section:*

1           (1) *The term “military treatment facility”*  
2           *means a medical facility under the jurisdiction of the*  
3           *Secretary of a military department.*

4           (2) *The term “VA health care facility” means a*  
5           *facility under the jurisdiction of the Veterans Health*  
6           *Administration of the Department of Veterans Affairs.*

7           (i) *PERFORMANCE REQUIREMENTS.—(1) The two Sec-*  
8           *retaries shall provide for a joint review team to conduct*  
9           *an annual on-site review at each of the project locations*  
10          *selected by the Secretaries under this section. The review*  
11          *team shall be comprised of employees of the Offices of the*  
12          *Inspectors General of the two Departments. Leadership of*  
13          *the joint review team shall rotate each fiscal year between*  
14          *an employee of the Office of the Inspector General of the*  
15          *Department of Veterans Affairs, during even-numbered fis-*  
16          *cal years, and an employee of the Office of Inspector Gen-*  
17          *eral of the Department of Defense, during odd-numbered fis-*  
18          *cal years.*

19          (2) *On completion of their annual joint review under*  
20          *paragraph (1), the review team shall submit a report to*  
21          *the two Secretaries on the results of the review. The Secre-*  
22          *taries shall forward the report, without change, to the Com-*  
23          *mittees on Armed Services and Veterans’ Affairs of the Sen-*  
24          *ate and House of Representatives.*

25          (3) *Each such report shall include the following:*

1           (A) *The strategic mission coordination between*  
2           *shared activities.*

3           (B) *The accuracy and validity of performance*  
4           *data used to evaluate sharing performance and*  
5           *changes in standards of care or services at the shared*  
6           *facilities.*

7           (C) *A statement that all appropriated funds des-*  
8           *ignated for sharing activities are being used for direct*  
9           *support of sharing initiatives.*

10          (D) *Recommendations concerning continuance of*  
11          *the project at each site for the succeeding 12-month*  
12          *period.*

13          (4) *Whenever there is a recommendation under para-*  
14          *graph (3)(D) to discontinue a resource sharing project*  
15          *under this section, the two Secretaries shall act upon that*  
16          *recommendation as soon as practicable.*

17          (5) *In the initial report under this subsection, the joint*  
18          *review team shall validate the baseline information used for*  
19          *comparative analysis.*

20          (j) *TERMINATION.—(1) The project, and the authority*  
21          *provided by this section, shall terminate on September 30,*  
22          *2007.*

23          (2) *The Secretaries may terminate the performance of*  
24          *the project at any site when the performance of the project*  
25          *at that site fails to meet performance expectations of the*

1 *Secretaries, based on recommendations from the review*  
 2 *team under subsection (i) or on other information available*  
 3 *to the Secretaries to warrant such action.*

4 **SEC. 725. REPORT ON IMPROVED COORDINATION AND**  
 5 **SHARING OF HEALTH CARE AND HEALTH**  
 6 **CARE RESOURCES FOLLOWING DOMESTIC**  
 7 **ACTS OF TERRORISM OR DOMESTIC USE OF**  
 8 **WEAPONS OF MASS DESTRUCTION.**

9 *(a) JOINT REVIEW.—The Secretary of Defense and the*  
 10 *Secretary of Veterans Affairs shall jointly review the ade-*  
 11 *quacy of current processes and existing statutory authori-*  
 12 *ties and policy governing the capability of the Department*  
 13 *of Defense and the Department of Veterans Affairs to pro-*  
 14 *vide health care to members of the Armed Forces following*  
 15 *domestic acts of terrorism or domestic use of weapons of*  
 16 *mass destruction, both before and after any declaration of*  
 17 *national emergency. Such review shall include a determina-*  
 18 *tion of the adequacy of current authorities in providing for*  
 19 *the coordination and sharing of health care resources be-*  
 20 *tween the two Departments in such cases, particularly be-*  
 21 *fore the declaration of a national emergency.*

22 *(b) REPORT TO CONGRESS.—A report on the review*  
 23 *under subsection (a), including any recommended legisla-*  
 24 *tive changes, shall be submitted to Congress as part of the*  
 25 *fiscal year 2004 budget submission.*

1 **SEC. 726. ADOPTION BY DEPARTMENT OF VETERANS AF-**  
2 **FAIRS OF DEPARTMENT OF DEFENSE PHAR-**  
3 **MACY DATA TRANSACTION SYSTEM.**

4 (a) *ADOPTION OF PDTS SYSTEM.*—*The Secretary of*  
5 *Veterans Affairs shall adopt for use by the Department of*  
6 *Veterans Affairs health care system the system of the De-*  
7 *partment of Defense known as the “Pharmacy Data Trans-*  
8 *action System”. Such system shall be fully operational for*  
9 *the Department of Veterans Affairs not later than October*  
10 *1, 2004.*

11 (b) *IMPLEMENTATION FUNDING.*—*The Secretary of De-*  
12 *fense shall transfer to the Secretary of Veterans Affairs, or*  
13 *shall otherwise bear the cost of, an amount sufficient to*  
14 *cover three-fourths of the cost to the Department of Veterans*  
15 *Affairs for initial computer programming activities and*  
16 *relevant staff training expenses related to implementation*  
17 *of subsection (a). Such amount shall be determined in such*  
18 *manner as agreed to by the two Secretaries.*

19 (c) *REIMBURSEMENT PROCEDURES.*—*Any reimburse-*  
20 *ment by the Department of Veterans Affairs to the Depart-*  
21 *ment of Defense for the use by the Department of Veterans*  
22 *Affairs of the transaction system under subsection (a) shall*  
23 *be determined in accordance with section 8111(e)(2) of title*  
24 *38, United States Code, as amended by section 723.*

1 **SEC. 727. JOINT PILOT PROGRAM FOR PROVIDING GRAD-**  
2 **UATE MEDICAL EDUCATION AND TRAINING**  
3 **FOR PHYSICIANS.**

4 (a) *IN GENERAL.*—The Secretary of Defense and the  
5 Secretary of Veterans Affairs shall jointly carry out a pilot  
6 program under which graduate medical education and  
7 training is provided to military physicians and physician  
8 employees of the Department of Defense and the Department  
9 of Veterans Affairs through one or more programs carried  
10 out in military medical treatment facilities of the Depart-  
11 ment of Defense and medical centers of the Department of  
12 Veterans Affairs. The pilot program shall begin not later  
13 than January 1, 2003.

14 (b) *COST-SHARING AGREEMENT.*—The Secretaries  
15 shall enter into an agreement for carrying out the pilot pro-  
16 gram. The agreement shall establish means for each Sec-  
17 retary to assist in paying the costs, with respect to individ-  
18 uals under the jurisdiction of that Secretary, incurred by  
19 the other Secretary in providing medical education and  
20 training under the pilot program.

21 (c) *USE OF EXISTING AUTHORITIES.*—To carry out  
22 the pilot program, the Secretary of Defense and the Sec-  
23 retary of Veterans Affairs may use authorities provided to  
24 them under this Act, section 8111 of title 38, United States  
25 Code, and other laws relating to the furnishing or support  
26 of medical education and the cooperative use of facilities.

1       (d) *TERMINATION OF PROGRAM.*—*The pilot program*  
 2       *under this section shall terminate on July 31, 2008.*

3       (e) *REPEAL OF SUPERSEDED PROVISION.*—*Section*  
 4       *738 of the National Defense Authorization Act for Fiscal*  
 5       *Year 2002 (Public Law 107–107; 10 U.S.C. 1094 note; 115*  
 6       *Stat.1173) is repealed.*

7       **SEC. 728. REPEAL OF CERTAIN LIMITS ON DEPARTMENT OF**  
 8               **VETERANS AFFAIRS RESOURCES.**

9       (a) *REPEAL OF VA BED LIMITS.*—*Section 8110(a)(1)*  
 10       *of title 38, United States Code, is amended—*

11               (1) *in the first sentence, by striking “at not more*  
 12               *than 125,000 and not less than 100,000”;*

13               (2) *in the third sentence, by striking “shall oper-*  
 14               *ate and maintain a total of not less than 90,000 hos-*  
 15               *pital beds and nursing home beds and”;* and

16               (3) *in the fourth sentence, by striking “to enable*  
 17               *the Department to operate and maintain a total of*  
 18               *not less than 90,000 hospital and nursing home beds*  
 19               *in accordance with this paragraph and”.*

20       (b) *EFFECTIVE DATE.*—*The amendments made by sub-*  
 21       *section (a) shall take effect on October 1, 2003.*

22       **SEC. 729. REPORTS.**

23       (a) *INTERIM REPORT.*—*Not later than February 1,*  
 24       *2004, the Secretary of Defense and Secretary of Veterans*  
 25       *Affairs shall submit to the Committees on Veterans’ Affairs*



1 *and the Committees on Armed Services of the Senate and*  
2 *House of Representatives a joint report on their conduct*  
3 *of each of the programs under this Act through the end of*  
4 *the preceding fiscal year. The Secretaries shall include in*  
5 *the report a description of the measures taken, or planned*  
6 *to be taken, to implement the health resources sharing*  
7 *project under section 724 and the other provisions of this*  
8 *Act and any cost savings anticipated, or cost sharing*  
9 *achieved, at facilities participating in the project. The re-*  
10 *port shall also include information on improvements in ac-*  
11 *cess to care, quality, and timeliness, as well as impediments*  
12 *encountered and legislative recommendations to ameliorate*  
13 *such impediments.*

14       (b) *ANNUAL REPORT ON USE OF WAIVER AUTHOR-*  
15 *ITY.—Not later than one year after the date of the enact-*  
16 *ment of this Act, and annually thereafter through comple-*  
17 *tion of the project under section 724, the two Secretaries*  
18 *shall submit to the committees of Congress specified in sub-*  
19 *section (a) a joint report on the use of the waiver authority*  
20 *provided by section 724(e)(1). The report shall include a*  
21 *statement of the numbers and types of requests for waivers*  
22 *under that section of administrative policies that have been*  
23 *made during the period covered by the report and, for each*  
24 *such request, an explanation of the content of each request,*  
25 *the intended purpose or result of the requested waiver, and*

1 *the disposition of each request. The report also shall include*  
2 *descriptions of any new administrative policies that en-*  
3 *hance the success of the project.*

4       (c) *PHARMACY BENEFITS REPORT.—Not later than*  
5 *one year after pharmaceutical services are first provided*  
6 *pursuant to section 724(d)(1), the two Secretaries shall sub-*  
7 *mit to the committees of Congress specified in subsection*  
8 *(a) a joint report on access by beneficiaries of each depart-*  
9 *ment to pharmaceutical services of the other department.*  
10 *The report shall describe the advantages and disadvantages*  
11 *to the beneficiaries and the Departments of providing such*  
12 *access and any other matters related to such pharma-*  
13 *ceutical services that the Secretaries consider pertinent, to-*  
14 *gether with any legislative recommendations for expanding*  
15 *or canceling such services.*

16       (d) *ANNUAL REPORT ON PILOT PROGRAM FOR GRAD-*  
17 *UATE MEDICAL EDUCATION.—Not later than January 31,*  
18 *2004, and January 31 of each year thereafter through 2009,*  
19 *the two Secretaries shall submit to Congress a joint report*  
20 *on the pilot program under section 727. The report for any*  
21 *year shall cover activities under the program during the*  
22 *preceding year and shall include each Secretary's assess-*  
23 *ment of the efficacy of providing education and training*  
24 *under that program.*

1 **TITLE VIII—ACQUISITION POL-**  
2 **ICY, ACQUISITION MANAGE-**  
3 **MENT, AND RELATED MAT-**  
4 **TERS**

5 **SEC. 801. PLAN FOR ACQUISITION MANAGEMENT PROFES-**  
6 **SIONAL EXCHANGE PILOT PROGRAM.**

7 (a) *PLAN REQUIRED.*—(1) *The Secretary of Defense*  
8 *shall develop a plan for a pilot program under which—*

9 (A) *an individual in the field of acquisition*  
10 *management employed by the Department of Defense*  
11 *may be temporarily assigned to work in a private sec-*  
12 *tor organization; and*

13 (B) *an individual in such field employed by a*  
14 *private sector organization may be temporarily as-*  
15 *signed to work in the Department of Defense.*

16 (2) *In developing the plan under paragraph (1), the*  
17 *Secretary shall address the following:*

18 (A) *The benefits of undertaking such a program.*

19 (B) *The appropriate length of assignments under*  
20 *the program.*

21 (C) *Whether an individual assigned under the*  
22 *program should be compensated by the organization*  
23 *to which the individual is assigned, or the organiza-*  
24 *tion from which the individual is assigned.*

(b) *SUBMISSION TO CONGRESS.*—Not later than February 1, 2003, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives the plan required under subsection (a).

(a) *AVAILABILITY OF TRAINING, KNOWLEDGE, AND RESOURCES.*—The Secretary of Defense shall evaluate the training, knowledge, and resources needed by the Department of Defense in order to effectively negotiate intellectual property rights using the principles of the Defense Federal Acquisition Regulation Supplement and determine whether the Department of Defense currently has in place the training, knowledge, and resources available to meet those Departmental needs.

1       (b) *REPORT*.—Not later than February 1, 2003, the  
 2       Secretary of Defense shall submit to Congress a report  
 3       describing—

4               (1) the results of the evaluation performed under  
 5       subsection (a);

6               (2) to the extent the Department does not have  
 7       adequate training, knowledge, and resources available,  
 8       actions to be taken to improve training and knowl-  
 9       edge and to make resources available to meet the De-  
 10      partment’s needs; and

11              (3) the number of Department of Defense legal  
 12      personnel trained in negotiating intellectual property  
 13      arrangements.

14   **SEC. 803. LIMITATION PERIOD FOR TASK AND DELIVERY**  
 15                           **ORDER CONTRACTS.**

16      Chapter 137 of title 10, United States Code, is  
 17      amended—

18              (1) in section 2304a—

19                      (A) in subsection (e)—

20                              (i) by inserting “(1)” before “A task”;

21                              and

22                              (ii) by adding at the end the following  
 23                      new paragraphs:

24              “(2) Unless use of procedures other than competitive  
 25      procedures is authorized by an exception in subsection (c)

1 of section 2304 of this title and approved in accordance  
 2 with subsection (f) of such section, competitive procedures  
 3 shall be used for making such a modification.

4 “(3) Notice regarding the modification shall be pro-  
 5 vided in accordance with section 18 of the Office of Federal  
 6 Procurement Policy Act (41 U.S.C. 416) and section 8(e)  
 7 of the Small Business Act (15 U.S.C. 637(e)).”; and

8 (B) by striking subsection (f) and inserting  
 9 the following:

10 “(f) *LIMITATION ON CONTRACT PERIOD.*—The base pe-  
 11 riod of a task order contract or delivery order contract en-  
 12 tered into under this section may not exceed five years un-  
 13 less a longer period is specifically authorized in a law that  
 14 is applicable to such contract. The contract may be extended  
 15 for an additional 5 years (for a total contract period of  
 16 not more than 10 years) through modifications, options, or  
 17 otherwise.”; and

18 (2) in section 2304b—

19 (A) by striking subsection (a) and inserting  
 20 the following:

21 “(a) *IN GENERAL.*—A task order contract (as defined  
 22 in section 2304d of this title) for procurement of advisory  
 23 and assistance services shall be subject to the requirements  
 24 of this section, sections 2304a and 2304c of this title, and  
 25 other applicable provisions of law.”;

1           (B) by striking subsections (b), (f), and (g)  
 2           and redesignating subsections (c), (d), (e), (h),  
 3           and (i) as subsections (b) through (f);

4           (C) by amending subsection (c) (as redesign-  
 5           nated by subparagraph (B)) to read as follows:

6           “(c) *REQUIRED CONTENT OF CONTRACT.*—A task  
 7           order contract described in subsection (a) shall contain the  
 8           same information that is required by section 2304a(b) to  
 9           be included in the solicitation of offers for that contract.”;  
 10          and

11           (D) in subsection (d) (as redesignated by  
 12           subparagraph (B))—

13           (i) in paragraph (1), by striking  
 14           “under this section” and inserting “de-  
 15           scribed in subsection (a)”;

16           (ii) in paragraph (2), by striking  
 17           “under this section”.

18   **SEC. 804. ONE-YEAR EXTENSION OF PROGRAM APPLYING**  
 19           **SIMPLIFIED PROCEDURES TO CERTAIN COM-**  
 20           **MERCIAL ITEMS; REPORT.**

21           (a) *EXTENSION OF PILOT PROGRAM.*—Section 4202 of  
 22           the Clinger-Cohen Act of 1996 (divisions D and E of Public  
 23           Law 104–106; 110 Stat. 652; 10 U.S.C. 2304 note) is  
 24           amended in subsection (e) by striking “January 1, 2003”  
 25           and inserting “January 1, 2004”.

1       (b) *REPORT REQUIRED.*—Not later than January 15,  
 2 2003, the Secretary of Defense shall submit to Congress a  
 3 report on whether the authority to issue solicitations for  
 4 purchases of commercial items in excess of the simplified  
 5 acquisition threshold pursuant to the special simplified pro-  
 6 cedures authorized by section 2304(g)(1) of title 10, United  
 7 States Code, section 303(g)(1) of the Federal Property and  
 8 Administrative Services Act of 1949, and section 31(a) of  
 9 the Office of Federal Procurement Policy Act, should be  
 10 made permanent.

11 **SEC. 805. AUTHORITY TO MAKE INFLATION ADJUSTMENTS**  
 12 **TO SIMPLIFIED ACQUISITION THRESHOLD.**

13       Section 4(11) of the Office of Federal Procurement Pol-  
 14 icy Act (41 U.S.C. 403(11)) is amended by inserting “, ex-  
 15 cept that such amount may be adjusted by the Adminis-  
 16 trator every five years to the amount equal to \$100,000 in  
 17 constant fiscal year 2002 dollars (rounded to the nearest  
 18 \$10,000)” before the period at the end.

19 **SEC. 806. IMPROVEMENT OF PERSONNEL MANAGEMENT**  
 20 **POLICIES AND PROCEDURES APPLICABLE TO**  
 21 **THE CIVILIAN ACQUISITION WORKFORCE.**

22       (a) *PLAN REQUIRED.*—The Secretary of Defense shall  
 23 develop a plan for improving the personnel management  
 24 policies and procedures applicable to the Department of De-  
 25 fense civilian acquisition workforce based on the results of



1 *the demonstration project described in section 4308 of the*  
2 *Clinger–Cohen Act of 1996 (division D of Public Law 104–*  
3 *106; 10 U.S.C. 1701 note).*

4 (b) *SUBMISSION TO CONGRESS.*—*Not later than Feb-*  
5 *ruary 15, 2003, the Secretary shall submit to Congress the*  
6 *plan required under subsection (a) and a report including*  
7 *any recommendations for legislative action necessary to im-*  
8 *plement the plan.*

9 **SEC. 807. MODIFICATION OF SCOPE OF BALL AND ROLLER**  
10 **BEARINGS COVERED FOR PURPOSES OF PRO-**  
11 **CUREMENT LIMITATION.**

12 *Section 2534(a)(5) of title 10, United States Code is*  
13 *amended—*

14 (1) *by striking “225.71” and inserting “225.70”;*

15 (2) *by striking “October 23, 1992” and inserting*  
16 *“April 27, 2002”; and*

17 (3) *by adding at the end the following: “In this*  
18 *section the term ‘ball bearings and roller bearings’ in-*  
19 *cludes unconventional or hybrid ball and roller bear-*  
20 *ings and cam follower bearings, ball screws, and other*  
21 *derivatives of ball and roller bearings.”.*

1 **SEC. 808. RAPID ACQUISITION AND DEPLOYMENT PROCE-**  
 2 **DURES.**

3 (a) *REQUIREMENT TO ESTABLISH PROCEDURES.*—  
 4 Chapter 141 of title 10, United States Code, is amended  
 5 by inserting after section 2396 the following new section:

6 **“§2397. Rapid acquisition and deployment procedures**

7 “(a) *ESTABLISHMENT.*—The Secretary of Defense shall  
 8 establish tailored rapid acquisition and deployment proce-  
 9 dures for items urgently needed to react to an enemy threat  
 10 or to respond to significant and urgent safety situations.

11 “(b) *PROCEDURES.*—The procedures established under  
 12 subsection (a) shall include the following:

13 “(1) A process for streamlined communications  
 14 between the Chairman of the Joint Chiefs of Staff, the  
 15 acquisition community, and the testing community.

16 “(2) A process for expedited technical, pro-  
 17 grammatic, and financial decisions.

18 “(3) An expedited procurement and contracting  
 19 process.

20 “(c) *SPECIFIC STEPS TO BE INCLUDED.*—The proce-  
 21 dures established under subsection (a) shall provide for the  
 22 following:

23 “(1) The commander of a unified combatant  
 24 command may notify the Chairman of the Joint  
 25 Chiefs of Staff of the need for an item described in  
 26 subsection (a) that is currently under development.

1           “(2) *The Chairman may request the Secretary of*  
2           *Defense to use rapid acquisition and deployment pro-*  
3           *cedures with respect to the item.*

4           “(3) *The Secretary of Defense shall decide wheth-*  
5           *er to use such procedures with respect to the item and*  
6           *shall notify the Secretary of the appropriate military*  
7           *department of the decision.*

8           “(4) *If the Secretary of Defense decides to use*  
9           *such procedures with respect to the item, the Sec-*  
10          *retary of the military department shall prepare a*  
11          *funding strategy for the rapid acquisition of the item*  
12          *and shall conduct a demonstration of the performance*  
13          *of the item.*

14          “(5) *The Director of Operational Test and Eval-*  
15          *uation shall immediately evaluate the existing capa-*  
16          *bility of the item (but under such evaluation shall not*  
17          *assess the capability of the item as regards to the*  
18          *function the item was originally intended to per-*  
19          *form).*

20          “(6) *The Chairman of the Joint Chiefs of Staff*  
21          *shall review the evaluation of the Director of Oper-*  
22          *ational Test and Evaluation and report to the Sec-*  
23          *retary of Defense regarding whether the capabilities of*  
24          *the tested item are able to meet the urgent need for*  
25          *the item.*

1           “(7) *The Secretary of Defense shall evaluate the*  
 2           *information regarding funding and rapid acquisition*  
 3           *prepared pursuant to paragraph (4) and approve or*  
 4           *disapprove of the acquisition of the item using the*  
 5           *procedures established pursuant to subsection (a).*

6           “(d) *LIMITATION.—The quantity of items of a system*  
 7           *procured using the procedures established under this section*  
 8           *may not exceed the number established for low-rate initial*  
 9           *production for the system, and any such items shall be*  
 10          *counted for purposes of the number of items of the system*  
 11          *that may be procured through low-rate initial production.”.*

12          (b) *CLERICAL AMENDMENT.—The table of sections at*  
 13          *the beginning of such chapter is amended by inserting after*  
 14          *the item relating to section 2396 the following new item:*  
               *“2397. Rapid acquisition and deployment procedures.”.*

15       **SEC. 809. QUICK-REACTION SPECIAL PROJECTS ACQUISITION TEAM.**  
 16

17          (a) *ESTABLISHMENT.—Chapter 141 of title 10, United*  
 18          *States Code, is amended by inserting after section 2402 the*  
 19          *following new section:*

20       **“§2403. Quick-reaction special projects acquisition**  
 21               **team**

22          *“The Secretary of Defense shall establish a quick-reac-*  
 23          *tion special projects acquisition team, the purpose of which*  
 24          *shall be to advise the Secretary on actions that can be taken*  
 25          *to expedite the procurement of urgently needed systems. The*

1 *team shall address problems with the intention of creating*  
 2 *expeditious solutions relating to—*

3           “(1) *industrial-base issues such as the limited*  
 4 *availability of suppliers;*

5           “(2) *compliance with acquisition regulations and*  
 6 *lengthy procedures;*

7           “(3) *compliance with environmental require-*  
 8 *ments;*

9           “(4) *compliance with requirements regarding*  
 10 *small-business concerns; and*

11           “(5) *compliance with requirements regarding the*  
 12 *purchase of products made in the United States.”.*

13       **(b) CLERICAL AMENDMENT.**—*The table of sections at*  
 14 *the beginning of such chapter is amended by inserting after*  
 15 *the item relating to section 2402 the following new item:*

*“2403. Quick-reaction special projects acquisition team.”.*

16 **SEC. 810. REPORT ON DEVELOPMENT OF ANTI-**  
 17 **CYBERTERRORISM TECHNOLOGY.**

18       *Not later than February 1, 2003, the Secretary of De-*  
 19 *fense shall submit to Congress a report on—*

20           (1) *efforts by the Department of Defense to enter*  
 21 *into contracts with private entities to develop*  
 22 *anticyberterrorism technology; and*

23           (2) *whether such efforts should be increased.*

1 **SEC. 811. CONTRACTING WITH FEDERAL PRISON INDUS-**  
2 **TRIES.**

3       (a) *ASSURING BEST VALUE FOR NATIONAL DEFENSE*  
4 *AND HOMELAND SECURITY.*—(1) *The Department of De-*  
5 *fense or one of the military departments may acquire a*  
6 *product or service from Federal Prison Industries, Inc. only*  
7 *if such acquisition is made through a procurement contract*  
8 *awarded and administered in accordance with chapter 137*  
9 *of title 10, United States Code, the Federal Acquisition Reg-*  
10 *ulation, and the Department of Defense supplements to such*  
11 *regulation. If a contract is to be awarded to Federal Prison*  
12 *Industries, Inc. by the Department of Defense through other*  
13 *than competitive procedures, authority for such award shall*  
14 *be based upon statutory authority other than chapter 307*  
15 *of title 18, United States Code.*

16       (2) *The Secretary of Defense shall assure that—*

17           (A) *no purchase of a product or a service is*  
18 *made by the Department of Defense from Federal*  
19 *Prison Industries, Inc. unless the contracting officer*  
20 *determines that—*

21               (i) *the product or service can be timely fur-*  
22 *nished and will meet the performance needs of*  
23 *the activity that requires the product or service;*  
24 *and*

25               (ii) *the price to be paid does not exceed a*  
26 *fair market price determined by competition or*

1           *a fair and reasonable price determined by price*  
2           *analysis or cost analysis; and*

3           *(B) Federal Prison Industries, Inc. performs its*  
4           *contractual obligations to the same extent as any*  
5           *other contractor for the Department of Defense.*

6           *(b) PERFORMANCE AS A SUBCONTRACTOR.—(1) The*  
7           *use of Federal Prison Industries, Inc. as a subcontractor*  
8           *or supplier shall be a wholly voluntary business decision*  
9           *by a Department of Defense prime contractor or subcon-*  
10          *tractor, subject to any prior approval of subcontractors or*  
11          *suppliers by the contracting officer which may be imposed*  
12          *by regulation or by the contract.*

13          *(2) A defense contractor (or subcontractor at any tier)*  
14          *using Federal Prison Industries, Inc. as a subcontractor or*  
15          *supplier in furnishing a commercial product pursuant to*  
16          *a contract shall implement appropriate management proce-*  
17          *dures to prevent introducing an inmate-produced product*  
18          *or inmate-furnished services into the commercial market.*

19          *(3) Except as authorized under the Federal Acquisition*  
20          *Regulation, the use of Federal Prison Industries, Inc. as*  
21          *a subcontractor or supplier of products or provider of serv-*  
22          *ices shall not be imposed upon prospective or actual defense*  
23          *prime contractors or subcontractors at any tier by means*  
24          *of—*

1           (A) a contract solicitation provision requiring a  
2           contractor to offer to make use of Federal Prison In-  
3           dustries, Inc. its products or services;

4           (B) specifications requiring the contractor to use  
5           specific products or services (or classes of products or  
6           services) offered by Federal Prison Industries, Inc. in  
7           the performance of the contract;

8           (C) any contract modification directing the use  
9           of Federal Prison Industries, Inc. its products or serv-  
10          ices; or

11          (D) any other means.

12          (c) *PROTECTION OF CLASSIFIED AND SENSITIVE IN-*  
13 *FORMATION.—The Secretary of Defense shall assure that*  
14 *Federal Prison Industries, Inc. is not permitted to provide*  
15 *services as a contractor or subcontractor at any tier, if an*  
16 *inmate worker has access to—*

17           (1) data that is classified or will become classi-  
18           fied after being merged with other data;

19           (2) geographic data regarding the location of  
20           surface and subsurface infrastructure providing com-  
21           munications, water and electrical power distribution,  
22           pipelines for the distribution of natural gas, bulk pe-  
23           troleum products and other commodities, and other  
24           utilities; or



1           (3) *personal or financial information about indi-*  
 2           *vidual private citizens, including information relat-*  
 3           *ing to such person’s real property, however described,*  
 4           *without giving prior notice to such persons or class*  
 5           *of persons to the greatest extent practicable.*

6           (d) *REGULATORY IMPLEMENTATION.*—

7           (1) *PROPOSED REGULATIONS.*—*Proposed revi-*  
 8           *sions to the Department of Defense Supplement to the*  
 9           *Federal Acquisition Regulation to implement this sec-*  
 10          *tion shall be published not later than 90 days after*  
 11          *the date of enactment of this Act and provide not less*  
 12          *than 60 days for public comment.*

13          (2) *FINAL REGULATIONS.*—*Final regulations*  
 14          *shall be published not later than 180 days after the*  
 15          *date of the enactment of this Act and shall be effective*  
 16          *on the date that is 30 days after the date of publica-*  
 17          *tion.*

18 **SEC. 812. RENEWAL OF CERTAIN PROCUREMENT TECH-**  
 19                                   **NICAL ASSISTANCE COOPERATIVE AGREE-**  
 20                                   **MENTS AT FUNDING LEVELS AT LEAST SUFFI-**  
 21                                   **CIENT TO SUPPORT EXISTING PROGRAMS.**

22          *Section 2413 of title 10, United States Code, is amend-*  
 23          *ed by adding at the end the following new subsection:*

24          “(d) *With respect to any eligible entity that has suc-*  
 25          *cessfully performed under a cooperative agreement entered*

1 *into under subsection (a), the Secretary shall strive, to the*  
 2 *greatest extent practicable and subject to appropriations, to*  
 3 *renew such agreement with such entity at a level of funding*  
 4 *which is at least equal to the level of funding under the*  
 5 *cooperative agreement being renewed.”.*

6 **TITLE IX—DEPARTMENT OF**  
 7 **DEFENSE ORGANIZATION**  
 8 **AND MANAGEMENT**

9 **SEC. 901. CHANGE IN TITLE OF SECRETARY OF THE NAVY**  
 10 **TO SECRETARY OF THE NAVY AND MARINE**  
 11 **CORPS.**

12 *(a) CHANGE IN TITLE.—The position of the Secretary*  
 13 *of the Navy is hereby redesignated as the Secretary of the*  
 14 *Navy and Marine Corps.*

15 *(b) REFERENCES.—Any reference to the Secretary of*  
 16 *the Navy in any law, regulation, document, record, or other*  
 17 *paper of the United States shall be considered to be a ref-*  
 18 *erence to the Secretary of the Navy and Marine Corps.*

19 **SEC. 902. REPORT ON IMPLEMENTATION OF UNITED**  
 20 **STATES NORTHERN COMMAND.**

21 *Not later than September 1, 2002, the Secretary of De-*  
 22 *fense shall submit to the Committees on Armed Services of*  
 23 *the Senate and the House of Representatives a report pro-*  
 24 *viding an implementation plan for the United States*  
 25 *Northern Command. The report shall address the following:*

1           (1) *The required budget for standing-up and*  
2           *maintaining that command.*

3           (2) *The location of the headquarters of that com-*  
4           *mand and alternatives considered for that location,*  
5           *together with the criteria used in selection of that lo-*  
6           *cation.*

7           (3) *The required manning levels for the com-*  
8           *mand, the effect that command will have on current*  
9           *Department of Defense personnel resources, and the*  
10          *other commands from which personnel will be trans-*  
11          *ferred to provide personnel for that command.*

12          (4) *The chain of command within that command*  
13          *to the component command level and a review of per-*  
14          *manently assigned or tasked organizations and units.*

15          (5) *The relationship of that command to the Of-*  
16          *fice of Homeland Security and the Homeland Secu-*  
17          *rity Council, to other Federal departments and agen-*  
18          *cies, and to State and local law enforcement agencies.*

19          (6) *The relationship of that command with the*  
20          *National Guard Bureau, individual State National*  
21          *Guard Headquarters, and civil first responders to en-*  
22          *sure continuity of operational plans.*

23          (7) *The legal implications of military forces in*  
24          *their Federal capacity operating on United States*  
25          *territory.*

(8) *The status of Department of Defense consultations—*

*(A) with Canada regarding Canada's role in, and any expansion of mission for, the North American Air Defense Command; and*

*(B) with Mexico regarding Mexico's role in the United States Northern Command.*

(9) *The status of Department of Defense consultations with NATO member nations on efforts to transfer the Supreme Allied Command for the Atlantic from dual assignment with the position of commander of the United States Joint Forces Command.*

(10) *The revised mission, budget, and personnel resources required for the United States Joint Forces Command.*

**SEC. 903. NATIONAL DEFENSE MISSION OF COAST GUARD  
TO BE INCLUDED IN FUTURE QUADRENNIAL  
DEFENSE REVIEWS.**

*Section 118(d) of title 10, United States Code, is amended—*

*(1) by redesignating paragraph (14) as paragraph (15); and*

*(2) by inserting after paragraph (13) the following new paragraph:*

1           “(14) *The national defense mission of the Coast*  
2       *Guard.*”.

3   **SEC. 904. CHANGE IN YEAR FOR SUBMISSION OF QUADREN-**  
4                   **NIAL DEFENSE REVIEW.**

5       *Section 118(a) of title 10, United States Code, is*  
6   *amended by striking “during a year” and inserting “dur-*  
7   *ing the second year”.*

8   **SEC. 905. REPORT ON EFFECT OF OPERATIONS OTHER**  
9                   **THAN WAR ON COMBAT READINESS OF THE**  
10                  **ARMED FORCES.**

11       *(a) REPORT REQUIRED.—Not later than February 28,*  
12   *2004, the Secretary of Defense shall submit to the Com-*  
13   *mittee on Armed Services of the Senate and the Committee*  
14   *on Armed Services of the House of Representatives a report*  
15   *on the effect on the combat readiness of the Armed Forces*  
16   *of operations other than war in which the Armed Forces*  
17   *are participating as of the date of the enactment of this*  
18   *Act (hereinafter in this section referred to as “current oper-*  
19   *ations other than war”). Such report shall address any such*  
20   *effect on combat readiness for the Armed Forces as a whole*  
21   *and separately for the active components and the reserve*  
22   *components.*

23       *(b) OPERATIONS OTHER THAN WAR.—For purposes of*  
24   *this section, the term “operations other than war” includes*  
25   *the following:*

1           (1) *Humanitarian operations.*

2           (2) *Counter-drug operations.*

3           (3) *Peace operations.*

4           (4) *Nation assistance.*

5           (c) *MATTERS TO BE ADDRESSED.—The report shall,*  
6 *at a minimum, address the following (shown both for the*  
7 *Armed Forces as a whole and separately for the active com-*  
8 *ponents and the reserve components):*

9           (1) *With respect to each current operation other*  
10 *than war, the number of members of the Armed*  
11 *Forces who are—*

12                   (A) *directly participating in the operation;*

13                   (B) *supporting the operation;*

14                   (C) *preparing to participate or support an*  
15 *upcoming rotation to the operation; or*

16                   (D) *recovering and retraining following*  
17 *participation in the operation.*

18           (2) *The cost to the Department of Defense in*  
19 *time, funds, resources, personnel, and equipment to*  
20 *prepare for, conduct, and recover and retrain from*  
21 *each such operation.*

22           (3) *The effect of participating in such operations*  
23 *on performance, retention, and readiness of indi-*  
24 *vidual members of the Armed Forces.*

1           (4) *The effect of such operations on the readiness*  
 2           *of forces and units participating, preparing to par-*  
 3           *ticipate, and returning from participation in such*  
 4           *operations.*

5           (5) *The effect that such operations have on forces*  
 6           *and units that do not, have not, and will not partici-*  
 7           *pate in them.*

8           (6) *The contribution to United States national*  
 9           *security and to regional stability of participation by*  
 10          *the United States in such operations, to be assessed*  
 11          *after receiving the views of the commanders of the re-*  
 12          *gional unified combatant commands.*

13          (d) *CLASSIFICATION OF REPORT.—The report may be*  
 14          *provided in classified or unclassified form as necessary.*

15   **SEC. 906. CONFORMING AMENDMENT TO REFLECT DIS-**  
 16                           **ESTABLISHMENT OF DEPARTMENT OF DE-**  
 17                           **FENSE CONSEQUENCE MANAGEMENT PRO-**  
 18                           **GRAM INTEGRATION OFFICE.**

19          Section 12310(c)(3) of title 10, United States Code, is  
 20          amended by striking “only—” and all that follows through  
 21          “(B) while assigned” and inserting “only while assigned”.

22   **SEC. 907. AUTHORITY TO ACCEPT GIFTS FOR NATIONAL DE-**  
 23                           **FENSE UNIVERSITY.**

24          (a) *IN GENERAL.—Section 2605 of title 10, United*  
 25          *States Code, is amended—*

1           (1) in subsection (a)—

2                   (A) by inserting “(1)” after “administra-  
3           tion of”; and

4                   (B) by inserting before the period at the end  
5           of the first sentence “, or (2) the National De-  
6           fense University”;

7           (2) in subsection (b)—

8                   (A) by inserting “(1)” after “(b)”;

9                   (B) by striking “subsection (a)” and insert-  
10          ing “subsection (a)(1)”;

11                  (C) by designating the last sentence as  
12          paragraph (3) and in that sentence by inserting  
13          “or for the benefit or use of the National Defense  
14          University, as the case may be,” after “schools,”;  
15          and

16                  (D) by inserting before paragraph (3), as  
17          designated by subparagraph (C), the following:

18          “(2) There is established in the Treasury a fund to  
19          be known as the ‘National Defense University Gift Fund’.  
20          Gifts of money, and the proceeds of the sale of property,  
21          received under subsection (a)(2) shall be deposited in the  
22          Fund.”;

23                  (3) in subsection (d)(1)(A), by inserting “and the  
24          National Defense University Gift Fund” before the  
25          semicolon; and



1           (4) *by adding at the end the following new sub-*  
 2       *section:*

3       “(h) *In this section, the term ‘National Defense Uni-*  
 4       *versity’ includes any school or other component of the Na-*  
 5       *tional Defense University.’.*”

6       (b) *CLERICAL AMENDMENT.—(1) The heading of such*  
 7       *section is amended to read as follows:*

8       **“§2605. Acceptance of gifts for defense dependents’**  
 9               ***schools and National Defense University*”.**

10       (2) *The item relating to such section in the table of*  
 11       *sections at the beginning of chapter 151 of such title is*  
 12       *amended to read as follows:*

*“2605. Acceptance of gifts for defense dependents’ schools and National Defense  
 University.”.*

## 13       **TITLE X—GENERAL PROVISIONS**

### 14       **Subtitle A—Financial Matters**

#### 15       **SEC. 1001. TRANSFER AUTHORITY.**

16       (a) *AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1)*  
 17       *Upon determination by the Secretary of Defense that such*  
 18       *action is necessary in the national interest, the Secretary*  
 19       *may transfer amounts of authorizations made available to*  
 20       *the Department of Defense in this division for fiscal year*  
 21       *2003 between any such authorizations for that fiscal year*  
 22       *(or any subdivisions thereof). Amounts of authorizations so*  
 23       *transferred shall be merged with and be available for the*  
 24       *same purposes as the authorization to which transferred.*

1       (2) *The total amount of authorizations that the Sec-*  
 2 *retary may transfer under the authority of this section may*  
 3 *not exceed \$2,000,000,000.*

4       (b) *LIMITATIONS.—The authority provided by this sec-*  
 5 *tion to transfer authorizations—*

6           (1) *may only be used to provide authority for*  
 7 *items that have a higher priority than the items from*  
 8 *which authority is transferred; and*

9           (2) *may not be used to provide authority for an*  
 10 *item that has been denied authorization by Congress.*

11       (c) *EFFECT ON AUTHORIZATION AMOUNTS.—A trans-*  
 12 *fer made from one account to another under the authority*  
 13 *of this section shall be deemed to increase the amount au-*  
 14 *thorized for the account to which the amount is transferred*  
 15 *by an amount equal to the amount transferred.*

16       (d) *NOTICE TO CONGRESS.—The Secretary shall*  
 17 *promptly notify Congress of each transfer made under sub-*  
 18 *section (a).*

19 **SEC. 1002. AUTHORIZATION OF SUPPLEMENTAL APPRO-**  
 20 **PRIATIONS FOR FISCAL YEAR 2002.**

21       (a) *DOD AUTHORIZATIONS.—Amounts authorized to*  
 22 *be appropriated to the Department of Defense for fiscal year*  
 23 *2002 in the National Defense Authorization Act for Fiscal*  
 24 *Year 2002 (Public Law 107–107) are hereby adjusted, with*  
 25 *respect to any such authorized amount, by the amount by*

1 *which appropriations pursuant to such authorization are*  
2 *increased (by a supplemental appropriation) or decreased*  
3 *(by a rescission), or both, or are increased by a transfer*  
4 *of funds, pursuant to the following:*

5           (1) *Chapter 3 of the Emergency Supplemental*  
6 *Act, 2002 (division B of Public Law 107–117; 115*  
7 *Stat. 2299).*

8           (2) *Any Act enacted after May 1, 2002, making*  
9 *supplemental appropriations for fiscal year 2002 for*  
10 *the military functions of the Department of Defense.*

11       (b) *NNSA AUTHORIZATIONS.—Amounts authorized to*  
12 *be appropriated to the Department of Energy for fiscal year*  
13 *2002 in the National Defense Authorization Act for Fiscal*  
14 *Year 2002 (Public Law 107–107) are hereby adjusted, with*  
15 *respect to any such authorized amount, by the amount by*  
16 *which appropriations pursuant to such authorization are*  
17 *increased (by a supplemental appropriation) or decreased*  
18 *(by a rescission), or both, or are increased by a transfer*  
19 *of funds, pursuant to the following:*

20           (1) *Chapter 5 of the Emergency Supplemental*  
21 *Act, 2002 (division B of Public Law 107–117; 115*  
22 *Stat. 2307).*

23           (2) *Any Act enacted after May 1, 2002, making*  
24 *supplemental appropriations for fiscal year 2002 for*

1        *the atomic energy defense activities of the Department*  
2        *of Energy.*

3        (c) *LIMITATION ON TRANSFERS PENDING SUBMISSION*  
4        *OF REPORT.—Any amount provided for the Department of*  
5        *Defense for fiscal year 2002 through a so-called ‘transfer*  
6        *account’, including the Defense Emergency Response Fund*  
7        *or any other similar account, may be transferred to another*  
8        *account for obligation only after the Secretary of Defense*  
9        *submits to the congressional defense committees a report*  
10       *stating, for each such transfer, the amount of the transfer,*  
11       *the appropriation account to which the transfer is to be*  
12       *made, and the specific purpose for which the transferred*  
13       *funds will be used.*

14       (d) *EMERGENCY DESIGNATION REQUIREMENT.—(1)*  
15       *In the case of a pending contingent emergency supplemental*  
16       *appropriation for the military functions of the Department*  
17       *of Defense or the atomic energy defense activities of the De-*  
18       *partment of Energy, an adjustment may be made under*  
19       *subsection (a) or (b) in the amount of an authorization of*  
20       *appropriations by reason of that supplemental appropria-*  
21       *tion only if, and to the extent that, the President transmits*  
22       *to Congress an official budget request for that appropriation*  
23       *that designates the entire amount requested as an emer-*  
24       *gency requirement.*

1       (2) *For purposes of this subsection, the term “contin-*  
 2 *gent emergency supplemental appropriation” means a sup-*  
 3 *plemental appropriation that—*

4           (A) *is designated by Congress as an emergency*  
 5 *requirement pursuant to section 251(b)(2)(A) of the*  
 6 *Balanced Budget and Emergency Deficit Control Act*  
 7 *of 1985; and*

8           (B) *by law is available only to the extent that*  
 9 *the President transmits to the Congress an official*  
 10 *budget request for that appropriation that includes*  
 11 *designation of the entire amount of the request as an*  
 12 *emergency requirement.*

13 **SEC. 1003. UNIFORM STANDARDS THROUGHOUT DEPART-**  
 14 **MENT OF DEFENSE FOR EXPOSURE OF PER-**  
 15 **SONNEL TO PECUNIARY LIABILITY FOR LOSS**  
 16 **OF GOVERNMENT PROPERTY.**

17       (a) *EXTENSION OF ARMY AND AIR FORCE REPORT-*  
 18 *OF-SURVEY PROCEDURES TO NAVY AND MARINE CORPS*  
 19 *AND ALL DOD CIVILIAN EMPLOYEES.—(1) Chapter 165 of*  
 20 *title 10, United States Code, is amended by adding at the*  
 21 *end the following new section:*

22 **“§ 2787. Reports of survey**

23       “(a) *REGULATIONS.—Under such regulations as the*  
 24 *Secretary of Defense may prescribe, any officer of the Army,*  
 25 *Navy, Air Force, or Marine Corps or any civilian employee*

1 *of the Department of Defense designated by the Secretary*  
 2 *may act upon reports of surveys and vouchers pertaining*  
 3 *to the loss, spoilage, unserviceability, unsuitability, or de-*  
 4 *struction of, or damage to, property of the United States*  
 5 *under the control of the Department of Defense.*

6 “(b) *FINALITY OF ACTION.*—*Action taken under sub-*  
 7 *section (a) is final, except that action holding a person pe-*  
 8 *cuniarily liable for loss, spoilage, destruction, or damage*  
 9 *is not final until approved by the Secretary.”.*

10 (2) *The table of sections at the beginning of such chap-*  
 11 *ter is amended by adding at the end the following new item:*  
 “2787. *Reports of survey.*”.

12 (b) *EXTENSION TO MEMBERS OF THE NAVY AND MA-*  
 13 *RINE CORPS OF PAY DEDUCTION AUTHORITY PERTAINING*  
 14 *TO DAMAGE OR REPAIR OF ARMS AND EQUIPMENT .—Sec-*  
 15 *tion 1007(e) of title 37, United States Code, is amended*  
 16 *by striking “Army or the Air Force” and inserting “Army,*  
 17 *Navy, Air Force, or Marine Corps”.*

18 (c) *REPEAL OF SUPERCEDED PROVISIONS.*—(1) *Sec-*  
 19 *tions 4835 and 9835 of title 10, United States Code, are*  
 20 *repealed.*

21 (2)(A) *The table of sections at the beginning of chapter*  
 22 *453 of such title is amended by striking the item relating*  
 23 *to section 4835.*

1       (B) *The table of sections at the beginning of chapter*  
 2 *953 of such title is amended by striking the item relating*  
 3 *to section 9835.*

4       **SEC. 1004. ACCOUNTABLE OFFICIALS IN THE DEPARTMENT**  
 5               **OF DEFENSE.**

6       (a) *ACCOUNTABLE OFFICIALS WITHIN THE DEPART-*  
 7 *MENT OF DEFENSE.*—Chapter 165 of title 10, United States  
 8 *Code, is amended by inserting after section 2773 the fol-*  
 9 *lowing new section:*

10       **“§2773a. Departmental accountable officials**

11               “(a) *DESIGNATION.*—(1) *The Secretary of Defense may*  
 12 *designate as a ‘departmental accountable official’ any civil-*  
 13 *ian employee of the Department of Defense or member of*  
 14 *the armed forces under the Secretary’s jurisdiction who is*  
 15 *described in paragraph (2). Any such designation shall be*  
 16 *in writing.*

17               “(2) *An employee or member of the armed forces de-*  
 18 *scribed in this paragraph is an employee or member who*  
 19 *is responsible in the performance of the employee’s or mem-*  
 20 *ber’s duties for providing to a certifying official of the De-*  
 21 *partment of Defense information, data, or services that are*  
 22 *directly relied upon by the certifying official in the certifi-*  
 23 *cation of vouchers for payment.*

24               “(b) *PECUNIARY LIABILITY.*—(1) *The Secretary of De-*  
 25 *fense may impose pecuniary liability on a departmental*

1 *accountable official to the extent that an illegal, improper,*  
 2 *or incorrect payment results from the information, data,*  
 3 *or services that that official provides to a certifying official*  
 4 *and upon which the certifying official directly relies in cer-*  
 5 *tifying the voucher supporting that payment.*

6       “(2) *The pecuniary liability of a departmental ac-*  
 7 *countable official under this subsection for such an illegal,*  
 8 *improper, or incorrect payment is joint and several with*  
 9 *that of any other officials who are pecuniarily liable for*  
 10 *such payment.*

11       “(c) *RELIEF FROM LIABILITY.—The Secretary of De-*  
 12 *fense shall relieve a departmental accountable official from*  
 13 *liability under subsection (b) if the Secretary determines*  
 14 *that the illegal, improper, or incorrect payment was not*  
 15 *the result of fault or negligence by that official.”.*

16       “(b) *CLERICAL AMENDMENT.—The table of sections at*  
 17 *the beginning of such chapter is amended by inserting after*  
 18 *the item relating to section 2773 the following new item:*

*“2773a. Departmental accountable officials.”.*

19 **SEC. 1005. IMPROVEMENTS IN PURCHASE CARD MANAGE-**  
 20 **MENT.**

21       “(a) *IN GENERAL.—Section 2784 of title 10, United*  
 22 *States Code, is amended to read as follows:*

23 **“§ 2784. Management of purchase cards**

24       “(a) *MANAGEMENT OF PURCHASE CARDS.—The Sec-*  
 25 *retary of Defense, acting through the Under Secretary of*



1 *Defense (Comptroller), shall prescribe regulations governing*  
2 *the use and control of all purchase cards and convenience*  
3 *checks that are issued to Department of Defense personnel*  
4 *for official use. Those regulations shall be consistent with*  
5 *regulations that apply Government-wide regarding use of*  
6 *purchase cards by Government personnel for official pur-*  
7 *poses.*

8 “(b) *REQUIRED SAFEGUARDS AND INTERNAL CON-*  
9 *TROLS.—Regulations under subsection (a) shall include*  
10 *safeguards and internal controls to ensure the following:*

11 “(1) *That there is a record in the Department of*  
12 *Defense of each holder of a purchase card issued by*  
13 *the Department of Defense for official use, annotated*  
14 *with the limitations on amounts that are applicable*  
15 *to the use of each such card by that purchase card*  
16 *holder.*

17 “(2) *That the holder of a purchase card and each*  
18 *official with authority to authorize expenditures*  
19 *charged to the purchase card are responsible for—*

20 “(A) *reconciling the charges appearing on*  
21 *each statement of account for that purchase card*  
22 *with receipts and other supporting documenta-*  
23 *tion; and*

1           “(B) forwarding that statement after being  
2           so reconciled to the designated disbursing office  
3           in a timely manner.

4           “(3) That any disputed purchase card charge,  
5           and any discrepancy between a receipt and other sup-  
6           porting documentation and the purchase card state-  
7           ment of account, is resolved in the manner prescribed  
8           in the applicable Government-wide purchase card  
9           contract entered into by the Administrator of General  
10          Services.

11          “(4) That payments on purchase card accounts  
12          are made promptly within prescribed deadlines to  
13          avoid interest penalties.

14          “(5) That rebates and refunds based on prompt  
15          payment on purchase card accounts are properly re-  
16          corded.

17          “(6) That records of each purchase card trans-  
18          action (including records on associated contracts, re-  
19          ports, accounts, and invoices) are retained in accord-  
20          ance with standard Government policies on the dis-  
21          position of records.

22          “(7) That an annual review is performed of the  
23          use of purchase cards issued by the Department of De-  
24          fense to determine whether each purchase card holder  
25          has a need for the purchase card.

1           “(8) *That the Inspectors General of the Depart-*  
2           *ment of Defense and the military services perform*  
3           *periodic audits with respect to the use of purchase*  
4           *cards issued by the Department of Defense to ensure*  
5           *that such use is in compliance with regulations.*

6           “(9) *That appropriate annual training is pro-*  
7           *vided to each purchase card holder and each official*  
8           *with responsibility for overseeing the use of purchase*  
9           *cards issued by the Department of Defense.*

10          “(c) *PENALTIES FOR VIOLATIONS.—The Secretary*  
11         *shall provide in the regulations prescribed under subsection*  
12         *(a)—*

13                 “(1) *that procedures are implemented providing*  
14                 *for appropriate punishment of employees of the De-*  
15                 *partment of Defense for violations of such regulations*  
16                 *and for negligence, misuse, abuse, or fraud with re-*  
17                 *spect to a purchase card, including dismissal in ap-*  
18                 *propriate cases; and*

19                 “(2) *that a violation of such regulations by a*  
20                 *person subject to chapter 47 of this title (the Uniform*  
21                 *Code of Military Justice) is punishable as a violation*  
22                 *of section 892 of this title (article 92 of the Uniform*  
23                 *Code of Military Justice).”.*

1       (b) *CLERICAL AMENDMENT.*—*The item relating to sec-*  
 2       *tion 2784 in the table of sections at the beginning of chapter*  
 3       *165 of such title is amended to read as follows:*

*“2784. Management of purchase cards.”.*

4       ***SEC. 1006. AUTHORITY TO TRANSFER FUNDS WITHIN A***  
 5                               ***MAJOR ACQUISITION PROGRAM FROM PRO-***  
 6                               ***CUREMENT TO RDT&E.***

7       (a) *PROGRAM FLEXIBILITY.*—(1) *Chapter 131 of title*  
 8       *10, United States Code, is amended by inserting after sec-*  
 9       *tion 2214 the following new section:*

10       ***“§2214a. Transfer of funds: transfers from procure-***  
 11                               ***ment accounts to research and develop-***  
 12                               ***ment accounts for major acquisition pro-***  
 13                               ***grams***

14       ***“(a) TRANSFER AUTHORITY WITHIN MAJOR PRO-***  
 15       ***GRAMS.***—*Subject to subsection (b), the Secretary of Defense*  
 16       *may transfer amounts provided in an appropriation Act*  
 17       *for procurement for a covered acquisition program to*  
 18       *amounts provided in the same appropriation Act for re-*  
 19       *search, development, test, and evaluation for that program.*

20       ***“(b) CONGRESSIONAL NOTICE-AND-WAIT.***—*A transfer*  
 21       *may be made under this section only after—*

22                       *“(1) the Secretary submits to the congressional*  
 23       *defense committees notice in writing of the Secretary’s*  
 24       *intent to make such transfer, together with the Sec-*  
 25       *retary’s justification for the transfer; and*

1           “(2) a period of 30 days has elapsed following  
2       the date of such notification.

3           “(c) *LIMITATIONS.*—From amounts appropriated for  
4       the Department of Defense for any fiscal year for  
5       procurement—

6           “(1) the total amount transferred under this sec-  
7       tion may not exceed \$250,000,000; and

8           “(2) the total amount so transferred for any ac-  
9       quisition program may not exceed \$20,000,000.

10          “(d) *COVERED ACQUISITION PROGRAMS.*—In this sec-  
11       tion, the term ‘covered acquisition program’ means an ac-  
12       quisition program of the Department of Defense that is—

13           “(A) a major defense acquisition program for  
14       purposes of chapter 144 of this title; or

15           “(B) any other acquisition program of the De-  
16       partment of Defense—

17           “(i) that is designated by the Secretary of  
18       Defense as a covered acquisition program for  
19       purposes of this section; or

20           “(ii) that is estimated by the Secretary of  
21       Defense to require an eventual total expenditure  
22       for research, development, test, and evaluation of  
23       more than \$140,000,000 (based on fiscal year  
24       2000 constant dollars) or an eventual total ex-  
25       penditure for procurement of more than

1           \$660,000,000 (based on fiscal year 2000 constant  
2           dollars.)

3           “(e) *TRANSFER BACK OF UNUSED TRANSFERRED*  
4 *FUNDS.—If funds transferred under this section are not*  
5 *used for the purposes for which transferred, such funds shall*  
6 *be transferred back to the account from which transferred*  
7 *and shall be available for their original purpose.*

8           “(f) *ADDITIONAL AUTHORITY.—The transfer authority*  
9 *provided in this section is in addition to any other transfer*  
10 *authority available to the Secretary of Defense.”.*

11           (2) *The table of sections at the beginning of such chap-*  
12 *ter is amended by inserting after the item relating to section*  
13 *2214 the following new item:*

*“2214a. Transfer of funds: transfers from procurement accounts to research and  
development accounts for major acquisition programs.”.*

14           (b) *EFFECTIVE DATE.—Section 2214a of title 10,*  
15 *United States Code, as added by subsection (a), shall not*  
16 *apply with respect to funds appropriated before the date*  
17 *of the enactment of this Act.*

18 **SEC. 1007. DEVELOPMENT AND PROCUREMENT OF FINAN-**  
19 **CIAL AND NONFINANCIAL MANAGEMENT SYS-**  
20 **TEMS.**

21           (a) *REPORT.—Not later than March 1, 2003, the Sec-*  
22 *retary of Defense shall submit to the congressional defense*  
23 *committees a report on the modernization of the Depart-*

1 *ment of Defense's financial management systems and oper-*  
2 *ations. The report shall include the following:*

3 *(1) The goals and objectives of the Financial*  
4 *Management Modernization Program.*

5 *(2) The acquisition strategy for that Program,*  
6 *including milestones, performance metrics, and finan-*  
7 *cial and nonfinancial resource needs.*

8 *(3) A listing of all operational and develop-*  
9 *mental financial and nonfinancial management sys-*  
10 *tems in use by the Department, the related costs to*  
11 *operate and maintain those systems during fiscal*  
12 *year 2002, and the estimated cost to operate and*  
13 *maintain those systems during fiscal year 2003.*

14 *(4) An estimate of the completion date of a tran-*  
15 *sition plan that will identify which of the Depart-*  
16 *ment's operational and developmental financial man-*  
17 *agement systems will not be part of the objective fi-*  
18 *nancial and nonfinancial management system and*  
19 *that provides the schedule for phase out of those legacy*  
20 *systems.*

21 *(b) LIMITATIONS.—(1) A contract described in sub-*  
22 *section (c) may be entered into using funds made available*  
23 *to the Department of Defense for fiscal year 2003 only with*  
24 *the approval in advance in writing of the Under Secretary*  
25 *of Defense (Comptroller).*

1       (2) *Not more than 75 percent of the funds authorized*  
 2 *to be appropriated in section 201(4) for research, develop-*  
 3 *ment, test, and evaluation for the Department of Defense*  
 4 *Financial Modernization Program (Program Element*  
 5 *65016D8Z) may be obligated until the report required by*  
 6 *subsection (a) is received by the congressional defense com-*  
 7 *mittees.*

8       (c) *COVERED CONTRACTS.*—*Subsection (b)(1) applies*  
 9 *to a contract for the procurement of any of the following:*

10           (1) *An enterprise architecture system.*

11           (2) *A finance or accounting system.*

12           (3) *A nonfinancial business and feeder system.*

13           (4) *An upgrade to any system specified in para-*  
 14 *graphs (1) through (3).*

15       (d) *DEFINITIONS.*—*As used in this section:*

16           (1) *FINANCIAL MANAGEMENT SYSTEM AND OPER-*  
 17 *ATIONS.*—*The term “financial management system*  
 18 *and operations” means financial, financial related,*  
 19 *and non-financial business operations and systems*  
 20 *used for acquisition programs, transportation, travel,*  
 21 *property, inventory, supply, medical, budget formula-*  
 22 *tion, financial reporting, and accounting. Such term*  
 23 *includes the automated and manual processes, proce-*  
 24 *dures, controls, data, hardware, software, and support*



1        *personnel dedicated to the operations and mainte-*  
 2        *nance of system functions.*

3            (2) *FEEDER SYSTEMS.*—*The term “feeder sys-*  
 4        *tems” means financial portions of mixed systems.*

5            (3) *DEVELOPMENTAL SYSTEMS AND PROJECTS.*—  
 6        *The term “developmental systems and projects” means*  
 7        *any system that has not reached Milestone C, as de-*  
 8        *finied in the Department of Defense 5000-series regu-*  
 9        *lations.*

## 10                    ***Subtitle B—Reports***

### 11    ***SEC. 1011. AFTER-ACTION REPORTS ON THE CONDUCT OF*** 12                    ***MILITARY OPERATIONS CONDUCTED AS PART*** 13                    ***OF OPERATION ENDURING FREEDOM.***

14            (a) *REPORT REQUIRED.*—(1) *The Secretary of Defense*  
 15        *shall submit to the congressional committees specified in*  
 16        *subsection (c) two reports on the conduct of military oper-*  
 17        *ations conducted as part of Operation Enduring Freedom.*  
 18        *The first report (which shall be an interim report) shall*  
 19        *be submitted not later than June 15, 2003. The second re-*  
 20        *port shall be submitted not later than 180 days after the*  
 21        *date (as determined by the Secretary of Defense) of the ces-*  
 22        *sation of hostilities undertaken as part of Operation Endur-*  
 23        *ing Freedom.*

24            (2) *Each report shall be prepared in consultation with*  
 25        *the Chairman of the Joint Chiefs of Staff, the commander-*

1 *in-chief of the United States Central Command, and the*  
2 *Director of Central Intelligence.*

3 (3) *Each report shall be submitted in both a classified*  
4 *form and an unclassified form.*

5 (b) *MATTERS TO BE INCLUDED.—Each report shall*  
6 *contain a discussion of accomplishments and shortcomings*  
7 *of the overall military operation. The report shall specifi-*  
8 *cally include the following:*

9 (1) *A discussion of the command, control, coordi-*  
10 *nation, and support relationship between United*  
11 *States Special Operations Forces and Central Intel-*  
12 *ligence Agency elements participating in Operation*  
13 *Enduring Freedom and any lessons learned from the*  
14 *joint conduct of operations by those forces and ele-*  
15 *ments.*

16 (2) *Recommendations to improve operational*  
17 *readiness and effectiveness.*

18 (c) *CONGRESSIONAL COMMITTEES.—The committees*  
19 *referred to in subsection (a)(1) are the following:*

20 (1) *The Committee on Armed Services and the*  
21 *Select Committee on Intelligence of the Senate.*

22 (2) *The Committee on Armed Services and the*  
23 *Permanent Select Committee on Intelligence of the*  
24 *House of Representatives.*

1 **SEC. 1012. REPORT ON BIOLOGICAL WEAPONS DEFENSE**  
2 **AND COUNTER-PROLIFERATION.**

3 (a) *REPORT REQUIRED.*—Not later than 180 days  
4 after the date of the enactment of this Act, the Secretary  
5 of Defense shall submit to the Committees on Armed Serv-  
6 ices of the Senate and the House of Representatives a  
7 report—

8 (1) describing programs and initiatives to halt,  
9 counter, and defend against the development, produc-  
10 tion, and proliferation of biological weapons agents,  
11 technology, and expertise to terrorist organizations  
12 and other States; and

13 (2) including a detailed list of the limitations  
14 and impediments to the biological weapons defense,  
15 nonproliferation, and counterproliferation efforts of  
16 the Department of Defense, and recommendations to  
17 remove such impediments and to make such efforts  
18 more effective.

19 (b) *CLASSIFICATION.*—The report may be submitted in  
20 unclassified or classified form as necessary.

21 **SEC. 1013. REQUIREMENT THAT DEPARTMENT OF DEFENSE**  
22 **REPORTS TO CONGRESS BE ACCOMPANIED**  
23 **BY ELECTRONIC VERSION.**

24 Section 480(a) of title 10, United States Code, is  
25 amended by striking “shall, upon request” and all that fol-

1 lows through “(or each” and inserting “shall provide to  
2 Congress (or”.

3 **SEC. 1014. STRATEGIC FORCE STRUCTURE PLAN FOR NU-**  
4 **CLEAR WEAPONS AND DELIVERY SYSTEMS.**

5 (a) *PLAN REQUIRED.*—The Secretary of Defense and  
6 the Secretary of Energy shall jointly prepare a plan for  
7 the United States strategic force structure for nuclear weap-  
8 ons and nuclear weapons delivery systems for the period  
9 of fiscal years from 2002 through 2012. The plan shall—

10 (1) delineate a baseline strategic force structure  
11 for such weapons and systems over such period con-  
12 sistent with the Nuclear Posture Review dated Janu-  
13 ary 2002;

14 (2) define sufficient force structure, force mod-  
15 ernization and life extension plans, infrastructure,  
16 and other elements of the defense program of the  
17 United States associated with such weapons and sys-  
18 tems that would be required to execute successfully the  
19 full range of missions called for in the national de-  
20 fense strategy delineated in the Quadrennial Defense  
21 Review dated September 30, 2001, under section 118  
22 of title 10, United States Code; and

23 (3) identify the budget plan that would be re-  
24 quired to provide sufficient resources to execute suc-

1        *cessfully the full range of missions using such force*  
2        *structure called for in that national defense strategy.*

3        *(b) REPORT.—(1) The Secretary of Defense and the*  
4        *Secretary of Energy shall submit a report on the plan to*  
5        *the congressional defense committees. Except as provided in*  
6        *paragraph (2), the report shall be submitted not later than*  
7        *January 1, 2003.*

8        *(2) If before January 1, 2003, the President submits*  
9        *to Congress the President's certification that it is in the*  
10       *national security interest of the United States that such re-*  
11       *port be submitted on a later date (to be specified by the*  
12       *President in the certification), such report shall be sub-*  
13       *mitted not later than such later date.*

14       *(c) REPORT ON OPTIONS FOR ACHIEVING, PRIOR TO*  
15       *FISCAL YEAR 2012, PRESIDENT'S OBJECTIVE FOR OPER-*  
16       *ATIONALLY DEPLOYED NUCLEAR WARHEADS.—Not later*  
17       *than 90 days after the date of the enactment of this Act,*  
18       *the Secretary of Energy shall submit to Congress a report*  
19       *on options for achieving, prior to fiscal year 2012, a posture*  
20       *under which the United States maintains a number of oper-*  
21       *ationally deployed nuclear warheads at a level of from*  
22       *1,700 to 2,200 such warheads, as outlined in the Nuclear*  
23       *Posture Review. The report shall include the following:*

1           (1) *For each of fiscal years 2006, 2008, and*  
2           *2010, an assessment of the options for achieving such*  
3           *posture as of such fiscal year.*

4           (2) *An assessment of the effects of achieving such*  
5           *posture prior to fiscal year 2012 on cost, the dis-*  
6           *mantlement workforce, and any other affected matter.*

7   **SEC. 1015. REPORT ON ESTABLISHMENT OF A JOINT NA-**  
8                           **TIONAL TRAINING COMPLEX AND JOINT OP-**  
9                           **POSING FORCES.**

10       (a) *REPORT REQUIRED.*—*Not later than six months*  
11       *after the date of the enactment of this Act, the Secretary*  
12       *of Defense shall submit to the Committee on Armed Services*  
13       *of the Senate and the Committee on Armed Services of the*  
14       *House of Representatives a report that outlines a plan to*  
15       *develop and implement a joint national training complex.*  
16       *Such a complex may include multiple joint training sites*  
17       *and mobile training ranges and appropriate joint opposing*  
18       *forces and shall be capable of supporting field exercises and*  
19       *experimentation at the operational level of war across a*  
20       *broad spectrum of adversary capabilities.*

21       (b) *MATTERS TO BE INCLUDED.*—*The report under*  
22       *subsection (a) shall include the following:*

23           (1) *An identification and description of the types*  
24           *of joint training and experimentation that would be*  
25           *conducted at such a joint national training complex,*

1       *together with a description of how such training and*  
2       *experimentation would enhance accomplishment of the*  
3       *six critical operational goals for the Department of*  
4       *Defense specified at page 30 of the Quadrennial De-*  
5       *fense Review Report of the Secretary of Defense issued*  
6       *on September 30, 2001.*

7               *(2) A discussion of how establishment of such a*  
8       *complex (including joint opposing forces) would pro-*  
9       *mote innovation and transformation throughout the*  
10       *Department of Defense.*

11              *(3) A discussion of how results from training*  
12       *and experiments conducted at such a complex would*  
13       *be taken into consideration in the Department of De-*  
14       *fense plans, programs, and budgeting process and by*  
15       *appropriate decision making bodies within the De-*  
16       *partment of Defense.*

17              *(4) A methodology, framework, and options for*  
18       *selecting sites for such a complex, including consider-*  
19       *ation of current training facilities that would accom-*  
20       *modate requirements among all the Armed Forces.*

21              *(5) Options for development as part of such a*  
22       *complex of a joint urban warfare training center that*  
23       *could also be used for homeland defense and con-*  
24       *sequence management training for Federal, State, and*  
25       *local training.*

1           (6) *Cost estimates and resource requirements to*  
 2           *establish and maintain such a complex, including es-*  
 3           *timates of costs and resource requirements for the use*  
 4           *of contract personnel for the performance of manage-*  
 5           *ment, operational, and logistics activities for such a*  
 6           *complex .*

7           (7) *An explanation of the relationship between*  
 8           *and among such a complex and the Department of*  
 9           *Defense Office of Transformation, the Joint Staff, the*  
 10          *United States Joint Forces Command, the United*  
 11          *States Northern Command, and each element of the*  
 12          *major commands within the separate Armed Forces*  
 13          *with responsibility for experimentation and training.*

14          (8) *A discussion of how implementation of a*  
 15          *joint opposing force would be established, including*  
 16          *the feasibility of using qualified contractors for the*  
 17          *function of establishing and maintaining joint oppos-*  
 18          *ing forces and the role of foreign forces.*

19          (9) *Submission of a time line to establish such*  
 20          *a center and for such a center to achieve initial oper-*  
 21          *ational capability and full operational capability.*

22   **SEC. 1016. REPEAL OF VARIOUS REPORTS REQUIRED OF**  
 23           **THE DEPARTMENT OF DEFENSE.**

24          (a) *PROVISIONS OF TITLE 10.*—*Title 10, United States*  
 25          *Code, is amended as follows:*



1           (1)(A) *Section 230 is repealed.*

2           (B) *The table of sections at the beginning of*  
3 *chapter 9 is amended by striking the item relating to*  
4 *section 230.*

5           (2) *Section 526 is amended by striking sub-*  
6 *section (c).*

7           (3) *Section 721(d) is amended—*

8                 (A) *by striking paragraph (2); and*

9                 (B) *by striking “(1)” before “If an officer”.*

10          (4) *Section 986 is amended by striking sub-*  
11 *section (e).*

12          (5) *Section 1095(g) is amended—*

13                 (A) *by striking paragraph (2); and*

14                 (B) *by striking “(1)” after “(g)”.*

15          (6) *Section 1798 is amended by striking sub-*  
16 *section (d).*

17          (7) *Section 1799 is amended by striking sub-*  
18 *section (d).*

19          (8) *Section 2010 is amended by striking sub-*  
20 *section (b).*

21          (9) *Section 2327(c)(1) is amended—*

22                 (A) *in subparagraph (A), by striking “after*  
23 *the date on which such head of an agency sub-*  
24 *mits to Congress a report on the contract” and*

1           *inserting “if in the best interests of the Govern-*  
2           *ment”*; and

3                     *(B) by striking subparagraph (B).*

4           *(10) Section 2350f is amended by striking sub-*  
5           *section (c).*

6           *(11) Section 2350k is amended by striking sub-*  
7           *section (d).*

8           *(12) Section 2492 is amended by striking sub-*  
9           *section (c).*

10          *(13) Section 2493 is amended by striking sub-*  
11          *section (g).*

12          *(14) Section 2563(c)(2) is amended by striking*  
13          *“and notifies Congress regarding the reasons for the*  
14          *waiver”.*

15          *(15) Section 2611 is amended by striking sub-*  
16          *section (e).*

17          *(16) Sections 4357, 6975, and 9356 are each*  
18          *amended—*

19                     *(A) by striking subsection (c); and*

20                     *(B) in subsection (a), by striking “Subject*  
21                     *to subsection (c), the Secretary” and inserting*  
22                     *“The Secretary”.*

23          *(17) Section 4416 is amended by striking sub-*  
24          *section (f).*

25          *(18) Section 5721(f) is amended—*

1 (A) by striking paragraph (2); and

2 (B) by striking “(1)” after the subsection  
3 heading.

4 (19) Section 12302 is amended—

5 (A) in subsection (b), by striking the last  
6 sentence; and

7 (B) by striking subsection (d).

8 (b) NATIONAL DEFENSE AUTHORIZATION ACT FOR  
9 FISCAL YEAR 1995.—Section 553(b) of the National De-  
10 fense Authorization Act for Fiscal Year 1995 (Public Law  
11 103–337; 108 Stat. 2772; 10 U.S.C. 4331 note) is amended  
12 by striking the last sentence.

13 **SEC. 1017. REPORT ON THE ROLE OF THE DEPARTMENT OF**  
14 **DEFENSE IN SUPPORTING HOMELAND SECU-**  
15 **RITY.**

16 (a) REPORT REQUIRED.—Not later than December 31,  
17 2002, the Secretary of Defense shall submit to the congres-  
18 sional defense committees a report on Department of De-  
19 fense responsibilities, mission, and plans for military sup-  
20 port of homeland security.

21 (b) CONTENT OF REPORT.—The report shall include,  
22 but not be limited to, a discussion of the following:

23 (1) Changes in organization regarding the roles,  
24 mission, and responsibilities carried out by the De-  
25 partment of Defense to support its homeland security

1     *mission and the reasons for those changes based upon*  
2     *the findings of the study and report required by sec-*  
3     *tion 1511 of the National Defense Authorization Act*  
4     *for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*  
5     *1271).*

6             *(2) Changes in the roles, missions, and respon-*  
7     *sibilities of the Department of the Army, the Depart-*  
8     *ment of the Navy, and the Department of the Air*  
9     *Force with respect to homeland security and the rea-*  
10    *sons for such changes.*

11            *(3) Changes in the roles, missions, and respon-*  
12    *sibilities of unified commands with homeland security*  
13    *missions and the reasons for such changes.*

14            *(4) Changes in the roles, missions, and respon-*  
15    *sibilities of the United States Joint Forces Command*  
16    *and the United States Northern Command in ex-*  
17    *panded homeland security training and experimen-*  
18    *tation involving the Department of Defense and other*  
19    *Federal, State, and local entities, and the reasons for*  
20    *such changes.*

21            *(5) Changes in the roles, missions, and respon-*  
22    *sibilities of the Army National Guard and the Air*  
23    *National Guard in the homeland security mission of*  
24    *the Department of Defense, and the reasons for such*  
25    *changes.*

1           (6) *The status of the unconventional nuclear*  
2           *warfare defense test bed program established in re-*  
3           *sponse to title IX of the Department of Defense Ap-*  
4           *propriations Act, 2002 (division A of Public Law*  
5           *107–117; 115 Stat. 2289), including the plan and*  
6           *program for establishing such test beds.*

7           (7) *The plans and status of the Department of*  
8           *Defense homeland security biological defense program,*  
9           *including the plans and status of—*

10                (A) *the biological counter terrorism research*  
11                *program;*

12                (B) *the biological defense homeland security*  
13                *support program;*

14                (C) *pilot programs for establishing biologi-*  
15                *cal defense test beds on Department of Defense*  
16                *installations and in selected urban areas of the*  
17                *United States;*

18                (D) *programs for expanding the capacity of*  
19                *the Department of Defense to meet increased de-*  
20                *mand for vaccines against biological agents; and*

21                (E) *any plans to coordinate Department of*  
22                *Defense work in biological defense programs with*  
23                *other Federal, State, and local programs.*

24           (8) *Recommendations for legislative changes that*  
25           *may be required to execute the roles and missions set*

1        *forth in Department of Defense homeland security*  
2        *plans.*

3        **SEC. 1018. REPORT ON EFFECTS OF NUCLEAR EARTH PENE-**  
4        **TRATOR WEAPONS AND OTHER WEAPONS.**

5        *(a) NAS STUDY.—The Secretary of Defense shall re-*  
6        *quest the National Academy of Sciences to conduct a study*  
7        *and prepare a report on the anticipated short-term and*  
8        *long-term effects of the use of a nuclear earth penetrator*  
9        *weapon on the target area, including the effects on civilian*  
10       *populations in proximity to the target area and on United*  
11       *States military personnel performing operations and battle*  
12       *damage assessments in the target area, and the anticipated*  
13       *short-term and long-term effects on the civilian population*  
14       *in proximity to the target area if—*

15                *(1) a non-penetrating nuclear weapon is used to*  
16        *destroy hard or deeply-buried targets; or*

17                *(2) a conventional high-explosive weapon is used*  
18        *to destroy an adversary's weapons of mass destruction*  
19        *storage or production facilities, and radioactive, nu-*  
20        *clear, biological, or chemical weapons materials,*  
21        *agents, or other contaminants are released or spread*  
22        *into populated areas.*

23        *(b) REPORT.—Not later than 180 days after the date*  
24        *of the enactment of this Act, the Secretary shall submit to*  
25        *Congress the report under subsection (a), together with any*

1 *comments the Secretary may consider appropriate on the*  
2 *report. The report shall be submitted in unclassified form*  
3 *to the maximum extent possible, with a classified annex if*  
4 *needed.*

5 **SEC. 1019. REPORT ON EFFECTS OF NUCLEAR-TIPPED BAL-**  
6 **LISTIC MISSILE INTERCEPTORS AND NU-**  
7 **CLEAR MISSILES NOT INTERCEPTED.**

8 (a) *NAS STUDY.*—*The Secretary of Defense shall re-*  
9 *quest the National Academy of Sciences to conduct a study*  
10 *and prepare a report on the anticipated short-term and*  
11 *long-term effects of the use of a nuclear-tipped ballistic mis-*  
12 *sile interceptor, including the effects on civilian populations*  
13 *and on United States military personnel in proximity to*  
14 *the target area, and the immediate, short-term, and long-*  
15 *term effects on the civilian population of a major city of*  
16 *the United States, and the Nation as a whole, if a ballistic*  
17 *missile carrying a nuclear weapon is not intercepted and*  
18 *detonates directly above a major city of the United States.*

19 (b) *REPORT.*—*Not later than 180 days after the date*  
20 *of the enactment of this Act, the Secretary shall submit to*  
21 *Congress the report under subsection (a), together with any*  
22 *comments the Secretary may consider appropriate on the*  
23 *report. The report shall be submitted in unclassified form*  
24 *to the maximum extent possible, with a classified annex if*  
25 *needed.*

1 **SEC. 1020. LIMITATION ON DURATION OF FUTURE DEPART-**  
2 **MENT OF DEFENSE REPORTING REQUIRE-**  
3 **MENTS.**

4 (a) *IN GENERAL.*—Chapter 23 of title 10, United  
5 States Code, is amended by inserting after section 480 the  
6 following new section:

7 **“§480a. Recurring reporting requirements: five-year**  
8 **limitation**

9 “(a) *FIVE-YEAR SUNSET.*—Any recurring congres-  
10 sional defense reporting requirement that is established by  
11 a provision of law enacted on or after the date of the enact-  
12 ment of the Bob Stump National Defense Authorization Act  
13 for Fiscal Year 2003 (including a provision of law enacted  
14 as part of that Act) shall cease to be effective, with respect  
15 to that requirement, at the end of the five-year period begin-  
16 ning on the date on which such provision is enacted, except  
17 as otherwise provided by law.

18 “(b) *RULE OF CONSTRUCTION.*—A provision of law en-  
19 acted after the date of the enactment of this section may  
20 not be considered to supersede the provisions of subsection  
21 (a) unless that provision specifically refers to subsection (a)  
22 and specifically states that it supersedes subsection (a).

23 “(c) *RECURRING CONGRESSIONAL DEFENSE REPORT-*  
24 *ING REQUIREMENTS.*—In this section, the term ‘recurring  
25 defense congressional reporting requirement’ means a re-  
26 quirement by law for the submission of an annual, semi-



1 *annual, or other regular periodic report to Congress, or one*  
 2 *or more committees of Congress, that applies only to the*  
 3 *Department of Defense or to one or more officers of the De-*  
 4 *partment of Defense.”.*

5 (b) *CLERICAL AMENDMENT.—The table of sections at*  
 6 *the beginning of such chapter is amended by inserting after*  
 7 *the item relating to section 480 the following new item:*

*“480a. Recurring reporting requirements: five-year limitation.”.*

## 8 ***Subtitle C—Other Matters***

### 9 ***SEC. 1021. SENSE OF CONGRESS ON MAINTENANCE OF A*** 10 ***RELIABLE, FLEXIBLE, AND ROBUST STRA-*** 11 ***TEGIC DETERRENT.***

12 *It is the sense of Congress that, consistent with the na-*  
 13 *tional defense strategy delineated in the Quadrennial De-*  
 14 *fense Review dated September 30, 2001 (as submitted under*  
 15 *section 118 of title 10, United States Code), the Nuclear*  
 16 *Posture Review dated January 2002, and the global stra-*  
 17 *tegic environment, the President should, to defend the Na-*  
 18 *tion, deter aggressors and potential adversaries, assure*  
 19 *friends and allies, defeat enemies, dissuade competitors, ad-*  
 20 *vance the foreign policy goals and vital interests of the*  
 21 *United States, and generally ensure the national security*  
 22 *of the United States, take the following actions:*

23 (1) *Maintain an operationally deployed strategic*  
 24 *force of not less than 1,700 nuclear weapons for im-*  
 25 *mediate and unexpected contingencies.*

1           (2) *Maintain a responsive force of non-deployed*  
2           *nuclear weapons for potential contingencies at readi-*  
3           *ness and numerical levels determined to be—*

4                     *(A) essential to the execution of the Single*  
5           *Integrated Operational Plan; or*

6                     *(B) necessary to maintain strategic flexi-*  
7           *bility and capability in accordance with the*  
8           *findings and conclusions of such Nuclear Posture*  
9           *Review.*

10          (3) *Develop advanced conventional weapons, and*  
11          *nuclear weapons, capable of destroying—*

12                     *(A) hard and deeply buried targets; and*

13                     *(B) enemy weapons of mass destruction and*  
14          *the development and production facilities of such*  
15          *enemy weapons.*

16          (4) *Develop a plan to achieve and maintain the*  
17          *capability to resume conducting underground tests of*  
18          *nuclear weapons within one year after a decision is*  
19          *made to resume conducting such tests, so as to have*  
20          *the means to maintain robust and adaptive strategic*  
21          *forces through a ready, responsive, and capable nu-*  
22          *clear infrastructure, as prescribed in such Nuclear*  
23          *Posture Review.*

24          (5) *Develop a plan to revitalize the Nation's nu-*  
25          *clear weapons industry and infrastructure so as to fa-*

1        *cilitate the development and production of safer, more*  
 2        *reliable, and more effective nuclear weapons.*

3    **SEC. 1022. TIME FOR TRANSMITTAL OF ANNUAL DEFENSE**

4                    **AUTHORIZATION LEGISLATIVE PROPOSAL.**

5        *(a) IN GENERAL.—Chapter 2 of title 10, United States*  
 6        *Code, is amended by inserting after section 113 the fol-*  
 7        *lowing new section:*

8    **“§ 113a. Transmission of annual defense authoriza-**  
 9                    **tion request**

10        *“(a) TIME FOR TRANSMITTAL.—The Secretary of De-*  
 11        *fense shall transmit to Congress the annual defense author-*  
 12        *ization request for a fiscal year during the first 30 days*  
 13        *after the date on which the President transmits to Congress*  
 14        *the budget for that fiscal year pursuant to section 1105 of*  
 15        *title 31.*

16        *“(b) DEFENSE AUTHORIZATION REQUEST DE-*  
 17        *FINED.—In this section, the term ‘defense authorization re-*  
 18        *quest’, with respect to a fiscal year, means a legislative pro-*  
 19        *posal submitted to Congress for the enactment of the fol-*  
 20        *lowing:*

21                *“(1) Authorizations of appropriations for that*  
 22        *fiscal year, as required by section 114 of this title.*

23                *“(2) Personnel strengths for that fiscal year, as*  
 24        *required by section 115 of this title.*

1           “(3) *Any other matter that is proposed by the*  
 2           *Secretary of Defense to be enacted as part of the an-*  
 3           *nual defense authorization bill for that fiscal year.*”.

4           (b) *CLERICAL AMENDMENT.—The table of sections at*  
 5           *the beginning of such chapter is amended by inserting after*  
 6           *the item relating to section 113 the following new item:*

          “113a. *Transmission of annual defense authorization request.*”.

7   **SEC. 1023. TECHNICAL AND CLERICAL AMENDMENTS.**

8           (a) *TITLE 10, UNITED STATES CODE.—Title 10,*  
 9           *United States Code, is amended as follows:*

10           (1) *Section 153 is amended by inserting “(a)*  
 11           *PLANNING; ADVICE; POLICY FORMULATION.—” at the*  
 12           *beginning of the text.*

13           (2) *Section 663(e)(2) is amended by striking*  
 14           *“Armed Forces Staff College” and inserting “Joint*  
 15           *Forces Staff College”.*

16           (3) *Section 2399(a)(2) is amended—*

17           (A) *in the matter preceding subparagraph*  
 18           (A), *by striking “means—” and inserting*  
 19           *“means a conventional weapons system*  
 20           *that—”; and*

21           (B) *in subparagraph (A), by striking “a*  
 22           *conventional weapons system that”.*

23           (4)(A) *Section 2410h is transferred to the end of*  
 24           *subchapter IV of chapter 87 and is redesignated as*  
 25           *section 1747.*

1           (B) *The item relating to that section in the table*  
2           *of sections at the beginning of chapter 141 is trans-*  
3           *ferred to the end of the table of sections at the begin-*  
4           *ning of subchapter IV of chapter 87 and is amended*  
5           *to reflect the redesignation made by subparagraph*  
6           *(A).*

7           (5) *Section 2677 is amended by striking sub-*  
8           *section (c).*

9           (6) *Section 2680(e) is amended by striking “the”*  
10          *after “the Committee on” the first place it appears.*

11          (7) *Section 2815(b) is amended by striking “for*  
12          *fiscal year 2003 and each fiscal year thereafter” and*  
13          *inserting “for any fiscal year”.*

14          (8) *Section 2828(b)(2) is amended by inserting*  
15          *“time” after “from time to”.*

16          (b) *TITLE 37, UNITED STATES CODE.—Title 37,*  
17          *United States Code, is amended as follows:*

18               (1) *Section 302j(a) is amended by striking “sub-*  
19               *section (c)” and inserting “subsection (d)”.*

20               (2) *Section 324(b) is amended by striking “(1)”*  
21               *before “The Secretary”.*

22          (c) *PUBLIC LAW 107–107.—Effective as of December*  
23          *28, 2001, and as if included therein as enacted, the Na-*  
24          *tional Defense Authorization Act for Fiscal Year 2002 (Pub-*  
25          *lic Law 107–107) is amended as follows:*

1           (1) *Section 602(a)(2) (115 Stat. 1132) is amend-*  
 2           *ed by striking “an” in the first quoted matter.*

3           (2) *Section 1410(a)(3)(C) (115 Stat. 1266) by*  
 4           *inserting “both places it appears” before “and insert-*  
 5           *ing”.*

6           (3) *Section 3007(d)(1)(C) (115 Stat. 1352) is*  
 7           *amended by striking “2905(b)(7)(B)(iv)” and insert-*  
 8           *ing “2905(b)(7)(C)(iv)”.*

9           (d) *PUBLIC LAW 106–398.—Effective as of October 30,*  
 10          *2000, and as if included therein as enacted, the Floyd D.*  
 11          *Spence National Defense Authorization Act for Fiscal Year*  
 12          *2001 (as enacted into law by Public Law 106–398) is*  
 13          *amended as follows:*

14           (1) *Section 577(b)(2) (114 Stat. 1654A–140) is*  
 15           *amended by striking “Federal” in the quoted matter*  
 16           *and inserting “Department of Defense”.*

17           (2) *Section 612(c)(4)(B) (114 Stat. 1654A–150)*  
 18           *is amended by striking the comma at the end of the*  
 19           *first quoted matter.*

20           (e) *PUBLIC LAW 106–65.—The National Defense Au-*  
 21          *thorization Act for Fiscal Year 2000 (Public Law 106–65)*  
 22          *is amended as follows:*

23           (1) *Section 573(b) (10 U.S.C. 513 note) is*  
 24           *amended by inserting a period at the end of para-*  
 25           *graph (2).*

1           (2) *Section 1305(6) (22 U.S.C. 5952 note) is*  
 2           *amended by striking the first period after “facility”.*

3           (f) *TITLE 14, UNITED STATES CODE.—Section 516(c)*  
 4           *of title 14, United States Code, is amended by striking “his*  
 5           *section” and inserting “this section”.*

6   **SEC. 1024. WAR RISK INSURANCE FOR VESSELS IN SUPPORT**  
 7           **OF NATO-APPROVED OPERATIONS.**

8           *Section 1205 of the Merchant Marine Act, 1936 (46*  
 9           *App. U.S.C. 1285) is amended by adding at the end the*  
 10          *following:*

11          “(c) *INSURANCE OF VESSELS IN SUPPORT OF NATO-*  
 12          *APPROVED OPERATIONS.—(1) Upon request made under*  
 13          *subsection (b), the Secretary may provide insurance for a*  
 14          *vessel, regardless of the country in which the vessel is reg-*  
 15          *istered and the citizenship of its owners, that is supporting*  
 16          *a military operation approved by the North Atlantic Coun-*  
 17          *cil, including a vessel that is not operating under contract*  
 18          *with a department or agency of the United States.*

19          “(2) *If a vessel is insured under paragraph (1) in re-*  
 20          *sponse to a request made pursuant to an international*  
 21          *agreement providing for the sharing among nations of the*  
 22          *risks involved in mutual or joint operations, the Secretary*  
 23          *of Transportation, with the concurrence of the Secretary of*  
 24          *State, may seek from another nation that is a party to such*  
 25          *agreement a commitment to indemnify the United States*

1 *for any amounts paid by the United States for claims*  
 2 *against such insurance.*

3 “(3) *Amounts received by the United States as indem-*  
 4 *nity from a nation pursuant to paragraph (2) shall be de-*  
 5 *posited into the insurance fund created under section 1208.*

6 “(4) *Any obligation of a department or agency of the*  
 7 *United States to indemnify the Secretary or the insurance*  
 8 *fund for any claim against insurance provided under this*  
 9 *subsection is extinguished to the extent of any indemnifica-*  
 10 *tion received from a nation pursuant to paragraph (2) with*  
 11 *respect to the claim.”.*

12 **SEC. 1025. CONVEYANCE, NAVY DRYDOCK, PORTLAND, OR-**  
 13 **EGON.**

14 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
 15 *Navy may sell Navy Drydock No. YFD-69, located in Port-*  
 16 *land, Oregon, to Portland Shipyard, LLC, which is the cur-*  
 17 *rent user of the drydock.*

18 (b) *CONDITION OF CONVEYANCE.*—*The conveyance*  
 19 *under subsection (a) shall be subject to the condition that*  
 20 *the purchaser agree to retain the drydock on Swan Island*  
 21 *in Portland, Oregon, until at least September 30, 2007.*

22 (c) *CONSIDERATION.*—*As consideration for the convey-*  
 23 *ance of the drydock under subsection (a), the purchaser shall*  
 24 *pay to the Secretary an amount equal to the fair market*



1 *value of the drydock at the time of the conveyance, as deter-*  
 2 *mined by the Secretary.*

3 *(d) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
 4 *retary may require such additional terms and conditions*  
 5 *in connection with the conveyance under subsection (a) as*  
 6 *the Secretary considers appropriate to protect the interests*  
 7 *of the United States.*

8 **SEC. 1026. ADDITIONAL WEAPONS OF MASS DESTRUCTION**  
 9 **CIVIL SUPPORT TEAMS.**

10 *(a) SENSE OF CONGRESS.—It is the sense of Congress*  
 11 *that the Secretary of Defense should—*

12 *(1) establish 23 additional teams designated as*  
 13 *Weapons of Mass Destruction Civil Support Teams*  
 14 *(for a total of 55 such teams); and*

15 *(2) ensure that of such 55 teams there is at least*  
 16 *one team established for each State and territory.*

17 *(b) STATE AND TERRITORY DEFINED.—In this section,*  
 18 *the term “State and territory” means the several States,*  
 19 *the District of Columbia, Puerto Rico, Guam, and the Vir-*  
 20 *gin Islands.*

1 **SEC. 1027. USE FOR LAW ENFORCEMENT PURPOSES OF DNA**  
2 **SAMPLES MAINTAINED BY DEPARTMENT OF**  
3 **DEFENSE FOR IDENTIFICATION OF HUMAN**  
4 **REMAINS.**

5 (a) *IN GENERAL.*—Chapter 80 of title 10, United  
6 States Code, is amended by adding at the end the following  
7 new section:

8 **“§ 1566. DNA samples maintained for identification of**  
9 **human remains: use for law enforcement**  
10 **purposes**

11 “(a) *COMPLIANCE WITH COURT ORDER.*—(1) Subject  
12 to paragraph (2), if a valid order of a Federal court (or  
13 military judge) so requires, an element of the Department  
14 of Defense that maintains a repository of DNA samples for  
15 the purpose of identification of human remains shall make  
16 available, for the purpose specified in subsection (b), such  
17 DNA samples on such terms and conditions as such court  
18 (or military judge) directs.

19 “(2) A DNA sample with respect to an individual shall  
20 be provided under paragraph (1) in a manner that does  
21 not compromise the ability of the Department of Defense  
22 to maintain a sample with respect to that individual for  
23 the purpose of identification of human remains.

24 “(b) *COVERED PURPOSE.*—The purpose referred to in  
25 subsection (a) is the purpose of an investigation or prosecu-

1 *tion of a felony, or any sexual offense, for which no other*  
 2 *source of DNA information is available.*

3 “(c) *DEFINITION.—In this section, the term ‘DNA*  
 4 *sample’ has the meaning given such term in section 1565(c)*  
 5 *of this title.’.*”

6 (b) *CLERICAL AMENDMENT.—The table of sections at*  
 7 *the beginning of such chapter is amended by adding at the*  
 8 *end the following new item:*

*“1566. DNA samples maintained for identification of human remains: use for law  
 enforcement purposes.”.*

9 **SEC. 1028. SENSE OF CONGRESS CONCERNING AIRCRAFT**  
 10 **CARRIER FORCE STRUCTURE.**

11 (a) *FINDINGS.—Congress makes the following findings:*

12 (1) *The aircraft carrier has been an integral*  
 13 *component in Operation Enduring Freedom and in*  
 14 *the homeland defense mission beginning on September*  
 15 *11, 2001. The aircraft carriers that have participated*  
 16 *in Operation Enduring Freedom, as of May 1, 2002,*  
 17 *are the USS Enterprise (CVN-65), the USS Carl*  
 18 *Vinson (CVN-70), the USS Kitty Hawk (CV-63), the*  
 19 *USS Theodore Roosevelt (CVN-71), the USS John C.*  
 20 *Stennis (CVN-74), and the USS John F. Kennedy*  
 21 *(CV-67). The aircraft carriers that have participated*  
 22 *in the homeland defense mission are the USS George*  
 23 *Washington (CVN-73), the USS John F. Kennedy*  
 24 *(CV-67), and the USS John C. Stennis (CVN-74).*

1           (2) *Since 1945, the United States has built 172*  
2           *bases overseas, of which only 24 are currently in use.*

3           (3) *The aircraft carrier provides an independent*  
4           *base of operations should no land base be available for*  
5           *aircraft.*

6           (4) *The aircraft carrier is an essential compo-*  
7           *nent of the Navy.*

8           (5) *Both the F/A–18E/F aircraft program and*  
9           *the Joint Strike Fighter aircraft program are pro-*  
10          *ceeding on schedule for deployment on aircraft car-*  
11          *riers.*

12          (6) *As established by the Navy, the United States*  
13          *requires the service of 15 aircraft carriers to com-*  
14          *pletely fulfill all the naval commitments assigned to*  
15          *it without gapping carrier presence.*

16          (7) *The Navy requires, at a minimum, at least*  
17          *12 carriers to accomplish its current missions.*

18          (b) *SENSE OF CONGRESS.—It is the sense of Congress*  
19          *that the number of aircraft carriers of the Navy in active*  
20          *service should not be less than 12.*

21          (c) *COMMENDATION OF CREWS.—Congress hereby com-*  
22          *mends the crews of the aircraft carriers that have partici-*  
23          *pated in Operation Enduring Freedom and the homeland*  
24          *defense mission.*

1 **SEC. 1029. ENHANCED AUTHORITY TO OBTAIN FOREIGN**  
2 **LANGUAGE SERVICES DURING PERIODS OF**  
3 **EMERGENCY.**

4 (a) NATIONAL FOREIGN LANGUAGE SKILLS REG-  
5 ISTRY.—(1) *The Secretary of Defense may establish and*  
6 *maintain a secure data registry to be known as the “Na-*  
7 *tional Foreign Language Skills Registry”. The data reg-*  
8 *istry shall consist of the names of, and other pertinent infor-*  
9 *mation on, linguistically qualified United States citizens*  
10 *and permanent resident aliens who state that they are will-*  
11 *ing to provide linguistic services in times of emergency des-*  
12 *ignated by the Secretary of Defense to assist the Department*  
13 *of Defense and other Departments and agencies of the*  
14 *United States with translation and interpretation in lan-*  
15 *guages designated by the Secretary of Defense as critical*  
16 *languages.*

17 (2) *The name of a person may be included in the Reg-*  
18 *istry only if the person expressly agrees for the person’s*  
19 *name to be included in the Registry. Any such agreement*  
20 *shall be made in such form and manner as may be specified*  
21 *by the Secretary.*

22 (b) AUTHORITY TO ACCEPT VOLUNTARY TRANSLATION  
23 AND INTERPRETATION SERVICES.—*Section 1588(a) of title*  
24 *10, United States Code, is amended by adding at the end*  
25 *the following new paragraph:*

1           “(6) *Language translation and interpretation*  
2           *services.*”.

3   **SEC. 1030. SURFACE COMBATANT INDUSTRIAL BASE.**

4           (a) *REVIEW.*—*The Secretary of Defense shall conduct*  
5           *a review of the effect of the contract award announced on*  
6           *April 29, 2002, for the lead design agent for the DD(X)*  
7           *ship program on the industrial base for ship combat system*  
8           *development, including the industrial base for each of the*  
9           *following: ship systems integration, radar, electronic war-*  
10          *fare, launch systems, and other components.*

11          (b) *REPORT REQUIRED.*—*Not later than March 31,*  
12          *2003, the Secretary shall submit to the congressional defense*  
13          *committees a report based on the review under subsection*  
14          *(a). The report shall provide the Secretary’s assessment of*  
15          *the effect of that contract award on the ship combat system*  
16          *technology and industrial base and shall describe any ac-*  
17          *tions that the Secretary proposes to ensure future competi-*  
18          *tion across the array of technologies that encompass the*  
19          *combat systems of future surface ships, including the next*  
20          *generation cruiser (CG(X)), the littoral combat ship (LCS),*  
21          *and the joint command ship (JCC(X)).*

1 **SEC. 1031. ENHANCED COOPERATION BETWEEN UNITED**  
2 **STATES AND RUSSIAN FEDERATION TO PRO-**  
3 **MOTE MUTUAL SECURITY.**

4 (a) *STATEMENT OF POLICY.*—*It is the policy of the*  
5 *United States to pursue greater cooperation, transparency,*  
6 *and confidence with the Russian Federation regarding nu-*  
7 *clear weapons policy, force structure, safeguards, testing,*  
8 *and proliferation prevention, as well as nuclear weapons*  
9 *infrastructure, production, and dismantlement, so as to*  
10 *promote mutual security, stability, and trust.*

11 (b) *SENSE OF CONGRESS REGARDING ENHANCED CO-*  
12 *OPERATION WITH RUSSIA.*—*It is the sense of Congress that*  
13 *the President of the United States should continue to engage*  
14 *the President of the Russian Federation to achieve the fol-*  
15 *lowing objectives, consistent with United States national se-*  
16 *curity, in the interest of promoting mutual trust, security,*  
17 *and stability:*

18 (1) *An agreement that would seek to prevent the*  
19 *illicit use, diversion, theft, or proliferation of tactical*  
20 *nuclear weapons, and their key components and ma-*  
21 *terials, by—*

22 (A) *withdrawing deployed nonstrategic nu-*  
23 *clear weapons;*

24 (B) *accounting for, consolidating, and se-*  
25 *curing the Russian Federation's nonstrategic nu-*  
26 *clear weapons; and*

1                   (C) dismantling or destroying United States  
2                   and Russian nonstrategic nuclear weapons in ex-  
3                   cess of each nation's legitimate defense needs.

4                   (2) A reciprocal program of joint visits by nu-  
5                   clear weapons scientists and experts of the United  
6                   States and the Russian Federation to the United  
7                   States nuclear test site in Nevada, and the Russian  
8                   nuclear test site at Novya Zemlya.

9                   (3) A reciprocal program of joint visits and con-  
10                  ferences at each nation's nuclear weapons laboratories  
11                  and nuclear weapons development and production fa-  
12                  cilities to discuss how to improve the safety and secu-  
13                  rity of each nation's nuclear stockpile, nuclear mate-  
14                  rials, and nuclear infrastructure.

15                  (4) A reciprocal program of joint visits and con-  
16                  ferences to explore greater cooperation between the  
17                  United States and the Russian Federation with re-  
18                  gard to ballistic missile defenses against intentional,  
19                  unauthorized, and accidental launches of ballistic  
20                  missiles.

21                  (5) A joint commission on nonproliferation, com-  
22                  posed of senior nonproliferation and intelligence offi-  
23                  cials from the United States and the Russian Federa-  
24                  tion, to meet regularly in a closed forum to discuss



1       *ways to prevent rogue states and potential adversaries*  
2       *from acquiring—*

3               *(A) weapons of mass destruction and bal-*  
4               *listic missiles;*

5               *(B) the dual-use goods, technologies, and ex-*  
6               *pertise necessary to develop weapons of mass de-*  
7               *struction and ballistic missiles; and*

8               *(C) advanced conventional weapons.*

9               *(6) A joint program to develop advanced methods*  
10       *for disposal of weapons-grade nuclear materials excess*  
11       *to defense needs, including safe, proliferation resist-*  
12       *ant, advanced nuclear fuel cycles that achieve more*  
13       *complete consumption of weapons materials, and*  
14       *other methods that minimize waste and hazards to*  
15       *health and the environment.*

16              *(7) A joint program to develop methods for safe-*  
17       *guarding, treating, and disposing of spent reactor fuel*  
18       *and other nuclear waste so as to minimize the risk to*  
19       *public health, property, and the environment, as well*  
20       *as the possibility of diversion to illicit purposes.*

21              *(8) A joint program, built upon existing pro-*  
22       *grams, to cooperatively develop advanced methods and*  
23       *techniques for establishing a state-of-the-art inventory*  
24       *control and monitoring system for nuclear weapons*  
25       *and material.*

1       (c) *REPORT.*—No later than March 1, 2003, the Presi-  
 2       dent shall submit to Congress a report (in unclassified or  
 3       classified form as necessary) on the status of the objectives  
 4       under subsection (b). The report shall include the following:

5               (1) *A description of the actions taken by the*  
 6       *President to engage the Russian Federation to achieve*  
 7       *those objectives.*

8               (2) *A description of the progress made to achieve*  
 9       *those objectives.*

10              (3) *A description of the response of the Russian*  
 11       *Federation to the actions referred to in paragraph*  
 12       *(1).*

13              (4) *The President's assessment of the Russian*  
 14       *Federation's commitment to a better, closer relation-*  
 15       *ship with the United States based on the principles*  
 16       *of increased cooperation and transparency.*

17       **SEC. 1032. TRANSFER OF FUNDS TO INCREASE AMOUNTS**  
 18                       **FOR PAC-3 MISSILE PROCUREMENT AND**  
 19                       **ISRAELI ARROW PROGRAM.**

20       (a) *INCREASE FOR PAC-3 PROCUREMENT.*—The  
 21       amount provided in section 101 for Missile Procurement,  
 22       Army, is hereby increased by \$65,000,000, to be available  
 23       for an additional 24 PAC-3 missiles.

24       (b) *INCREASE FOR ISRAELI ARROW PROGRAM.*—The  
 25       amount provided in section 201(4) for the Missile Defense

1 *Agency is hereby increased by \$70,000,000, to be available*  
 2 *within program element 0603881C, Terminal Defense Seg-*  
 3 *ment, only for the Israeli Arrow Ballistic Missile Defense*  
 4 *System program.*

5 *(c) CORRESPONDING REDUCTION.—The amount pro-*  
 6 *vided in section 201(4) for research, development, test, and*  
 7 *evaluation, Defense-wide, is hereby reduced by*  
 8 *\$135,000,000, to be derived from amounts available to the*  
 9 *Missile Defense Agency.*

10 **SEC. 1033. ASSIGNMENT OF MEMBERS TO ASSIST IMMIGRA-**  
 11 **TION AND NATURALIZATION SERVICE AND**  
 12 **CUSTOMS SERVICE.**

13 *(a) ASSIGNMENT AUTHORITY OF SECRETARY OF DE-*  
 14 *FENSE.—Chapter 18 of title 10, United States Code, is*  
 15 *amended by inserting after section 374 the following new*  
 16 *section:*

17 **“§ 374a. Assignment of members to assist border pa-**  
 18 **trol and control**

19 *“(a) ASSIGNMENT AUTHORIZED.—Upon submission of*  
 20 *a request consistent with subsection (b), the Secretary of De-*  
 21 *fense may assign members of the Army, Navy, Air Force,*  
 22 *and Marine Corps to assist—*

23 *“(1) the Immigration and Naturalization Serv-*  
 24 *ice in preventing the entry of terrorists, drug traf-*  
 25 *fickers, and illegal aliens into the United States; and*

1           “(2) *the United States Customs Service in the*  
2           *inspection of cargo, vehicles, and aircraft at points of*  
3           *entry into the United States to prevent the entry of*  
4           *weapons of mass destruction, components of weapons*  
5           *of mass destruction, prohibited narcotics or drugs, or*  
6           *other terrorist or drug trafficking items.*

7           “(b) *REQUEST FOR ASSIGNMENT.—The assignment of*  
8           *members under subsection (a) may occur only if—*

9           “(1) *the assignment is at the request of the Attor-*  
10           *ney General, in the case of an assignment to the Im-*  
11           *migration and Naturalization Service, or the Sec-*  
12           *retary of the Treasury, in the case of an assignment*  
13           *to the United States Customs Service; and*

14           “(2) *the request of the Attorney General or the*  
15           *Secretary of the Treasury (as the case may be) is ac-*  
16           *companied by a certification by the President that the*  
17           *assignment of members pursuant to the request is nec-*  
18           *essary to respond to a threat to national security*  
19           *posed by the entry into the United States of terrorists*  
20           *or drug traffickers.*

21           “(c) *TRAINING PROGRAM REQUIRED.—The Attorney*  
22           *General or the Secretary of the Treasury (as the case may*  
23           *be), together with the Secretary of Defense, shall establish*  
24           *a training program to ensure that members receive general*  
25           *instruction regarding issues affecting law enforcement in*

1 *the border areas in which the members may perform duties*  
 2 *under an assignment under subsection (a). A member may*  
 3 *not be deployed at a border location pursuant to an assign-*  
 4 *ment under subsection (a) until the member has successfully*  
 5 *completed the training program.*

6       “(d) *CONDITIONS OF USE.—(1) Whenever a member*  
 7 *who is assigned under subsection (a) to assist the Immigra-*  
 8 *tion and Naturalization Service or the United States Cus-*  
 9 *toms Service is performing duties at a border location pur-*  
 10 *suant to the assignment, a civilian law enforcement officer*  
 11 *from the agency concerned shall accompany the member.*

12       “(2) *Nothing in this section shall be construed to—*

13               “(A) *authorize a member assigned under sub-*  
 14 *section (a) to conduct a search, seizure, or other simi-*  
 15 *lar law enforcement activity or to make an arrest;*  
 16 *and*

17               “(B) *supersede section 1385 of title 18 (popu-*  
 18 *larly known as the ‘Posse Comitatus Act’).*

19       “(e) *ESTABLISHMENT OF ONGOING JOINT TASK*  
 20 *FORCES.—(1) The Attorney General or the Secretary of the*  
 21 *Treasury may establish ongoing joint task forces when ac-*  
 22 *companied by a certification by the President that the as-*  
 23 *signment of members pursuant to the request to establish*  
 24 *a joint task force is necessary to respond to a threat to na-*

1 *tional security posed by the entry into the United States*  
2 *of terrorists or drug traffickers.*

3       “(2) *When established, any joint task force shall fully*  
4 *comply with the standards as set forth in this section.*

5       “(f) *NOTIFICATION REQUIREMENTS.—The Attorney*  
6 *General or the Secretary of the Treasury (as the case may*  
7 *be) shall notify the Governor of the State in which members*  
8 *are to be deployed pursuant to an assignment under sub-*  
9 *section (a), and local governments in the deployment area,*  
10 *of the deployment of the members to assist the Immigration*  
11 *and Naturalization Service or the United States Customs*  
12 *Service (as the case may be) and the types of tasks to be*  
13 *performed by the members.*

14       “(g) *REIMBURSEMENT REQUIREMENT.—Section 377*  
15 *of this title shall apply in the case of members assigned*  
16 *under subsection (a).*

17       “(h) *TERMINATION OF AUTHORITY.—No assignment*  
18 *may be made or continued under subsection (a) after Sep-*  
19 *tember 30, 2005.”.*

20       “(b) *COMMENCEMENT OF TRAINING PROGRAM.—The*  
21 *training program required by subsection (b) of section 374a*  
22 *of title 10, United States Code, shall be established as soon*  
23 *as practicable after the date of the enactment of this Act.*

1       (c) *CLERICAL AMENDMENT.*—*The table of sections at*  
 2 *the beginning of such chapter is amended by inserting after*  
 3 *the item relating to section 374 the following new item:*

*“374a. Assignment of members to assist border patrol and control.”.*

4   **SEC. 1034. SENSE OF CONGRESS ON PROHIBITION OF USE**  
 5                           **OF FUNDS FOR INTERNATIONAL CRIMINAL**  
 6                           **COURT.**

7       *It is the sense of Congress that none of the funds appro-*  
 8 *priated pursuant to authorizations of appropriations in*  
 9 *this Act should be used for any assistance to, or to cooperate*  
 10 *with or to provide any support for, the International*  
 11 *Criminal Court.*

12   **TITLE XI—CIVILIAN PERSONNEL**  
 13                           **MATTERS**

14   **SEC. 1101. ELIGIBILITY OF DEPARTMENT OF DEFENSE NON-**  
 15                           **APPROPRIATED FUND EMPLOYEES FOR**  
 16                           **LONG-TERM CARE INSURANCE.**

17       (a) *IN GENERAL.*—*Section 9001(1) of title 5, United*  
 18 *States Code, is amended—*

19                   (1) *in subparagraph (B), by striking “and”;*

20                   (2) *in subparagraph (C), by striking the comma*  
 21 *at the end and inserting “; and”; and*

22                   (3) *by inserting after subparagraph (C) the fol-*  
 23 *lowing new subparagraph:*

1                   “(D) an employee of a nonappropriated  
2                   fund instrumentality of the Department of De-  
3                   fense described in section 2105(c),”.

4           (b) *DISCRETIONARY AUTHORITY*.—Section 9002 of  
5 such title is amended—

6                   (1) by redesignating subsections (b), (c), (d), and  
7                   (e) as subsections (c), (d), (e), and (f), respectively;  
8                   and

9                   (2) by inserting after subsection (a) the following  
10                  new subsection (b):

11               “(b) *DISCRETIONARY AUTHORITY REGARDING NON-*  
12 *APPROPRIATED FUND INSTRUMENTALITIES*.—The Sec-  
13 *retary of Defense may determine that a nonappropriated*  
14 *fund instrumentality of the Department of Defense is cov-*  
15 *ered under this chapter or is covered under an alternative*  
16 *long-term care insurance program.*”.

17 **SEC. 1102. EXTENSION OF DEPARTMENT OF DEFENSE AU-**  
18 **THORITY TO MAKE LUMP-SUM SEVERANCE**  
19 **PAYMENTS.**

20           (a) *IN GENERAL*.—Section 5595(i)(4) of title 5, United  
21 States Code, is amended by striking “2003” and inserting  
22 “2006”.

23           (b) *REPORT*.—Not later than one year after the date  
24 of the enactment of this Act, the President shall submit to  
25 Congress a report including recommendations whether the



1 *authority under section 5595(i) of title 5, United States*  
 2 *Code, should be made permanent or expanded to be made*  
 3 *Governmentwide.*

4 **SEC. 1103. COMMON OCCUPATIONAL AND HEALTH STAND-**  
 5 **ARDS FOR DIFFERENTIAL PAYMENTS AS A**  
 6 **CONSEQUENCE OF EXPOSURE TO ASBESTOS.**

7 (a) *PREVAILING RATE SYSTEMS.*—Section 5343(c)(4)  
 8 *of title 5, United States Code, is amended by inserting be-*  
 9 *fore the semicolon at the end the following: “, and for any*  
 10 *hardship or hazard related to asbestos, such differentials*  
 11 *shall be determined by applying occupational safety and*  
 12 *health standards consistent with the permissible exposure*  
 13 *limit promulgated by the Secretary of Labor under the Oc-*  
 14 *cupational Safety and Health Act of 1970”.*

15 (b) *GENERAL SCHEDULE PAY RATES.*—Section  
 16 5545(d) of such title is amended by inserting before the pe-  
 17 riod at the end of the first sentence the following: “, and  
 18 for any hardship or hazard related to asbestos, such dif-  
 19 ferentials shall be determined by applying occupational  
 20 safety and health standards consistent with the permissible  
 21 exposure limit promulgated by the Secretary of Labor under  
 22 the Occupational Safety and Health Act of 1970”.

23 (c) *APPLICABILITY.*—Subject to any vested constitu-  
 24 tional property rights, any administrative or judicial deter-  
 25 mination after the date of enactment of this Act concerning

1 *backpay for a differential established under sections*  
 2 *5343(c)(4) or 5545(d) of such title shall be based on occupa-*  
 3 *tional safety and health standards described in the amend-*  
 4 *ments made by subsections (a) and (b).*

5 **SEC. 1104. CONTINUATION OF FEDERAL EMPLOYEE HEALTH**  
 6 **BENEFITS PROGRAM ELIGIBILITY.**

7 *Paragraph (4)(B) of section 8905a(d) of title 5, United*  
 8 *States Code, is amended—*

9 *(1) in clause (i), by striking “2003” and insert-*  
 10 *ing “2006”; and*

11 *(2) in clause (ii)—*

12 *(A) by striking “2004” and inserting*  
 13 *“2007”; and*

14 *(B) by striking “2003” and inserting*  
 15 *“2006”.*

16 **SEC. 1105. TRIENNIAL FULL-SCALE FEDERAL WAGE SYSTEM**  
 17 **WAGE SURVEYS.**

18 *Section 5343(b) of title 5, United States Code, is*  
 19 *amended—*

20 *(1) in the first sentence, by striking “2 years”*  
 21 *and inserting “3 years”; and*

22 *(2) in the second sentence, by striking the period*  
 23 *at the end and inserting “, based on criteria devel-*  
 24 *oped by the Office.”.*

1 **SEC. 1106. CERTIFICATION FOR DEPARTMENT OF DEFENSE**

2 **PROFESSIONAL ACCOUNTING POSITIONS.**

3 (a) *IN GENERAL.*—(1) Chapter 81 of title 10, United  
4 States Code, is amended by adding at the end the following  
5 new section:

6 **“§ 1599d. Professional accounting positions: authority**  
7 **to prescribe certification and credential**  
8 **standards**

9 “(a) *AUTHORITY TO PRESCRIBE PROFESSIONAL CER-*  
10 *TIFICATION STANDARDS.*—The Secretary of Defense may  
11 prescribe professional certification and credential standards  
12 for professional accounting positions within the Depart-  
13 ment of Defense. Any such standard shall be prescribed as  
14 a Department of Defense regulation.

15 “(b) *WAIVER AUTHORITY.*—The Secretary may waive  
16 any standard prescribed under subsection (a) whenever the  
17 Secretary determines such a waiver to be appropriate.

18 “(c) *APPLICABILITY.*—A standard prescribed under  
19 subsection (a) shall not apply to any person employed by  
20 the Department of Defense before the standard is prescribed.

21 “(d) *REPORT.*—The Secretary of Defense shall submit  
22 to Congress a report on the Secretary’s plans to provide  
23 training to appropriate Department of Defense personnel  
24 to meet any new professional and credential standards pre-  
25 scribed under subsection (a). Such report shall be prepared  
26 in conjunction with the Director of the Office of Personnel

1 *Management. Such a report shall be submitted not later*  
 2 *than one year after the effective date of any regulations,*  
 3 *or any revision to regulations, prescribed pursuant to sub-*  
 4 *section (a).*

5 “(e) *DEFINITION.—In this section, the term ‘profes-*  
 6 *sional accounting position’ means a position or group of*  
 7 *positions in the GS–510, GS–511, and GS–505 series that*  
 8 *involves professional accounting work.’”.*

9 (2) *The table of sections at the beginning of such chap-*  
 10 *ter is amended by adding at the end the following new item:*

*“1599d. Professional accounting positions: authority to establish certification and  
 credential standards.”.*

11 (b) *EFFECTIVE DATE.—Standards established pursu-*  
 12 *ant to section 1599d of title 10, United States Code, as*  
 13 *added by subsection (a), may take effect no sooner than 120*  
 14 *days after the date of the enactment of this Act.*

## 15 **TITLE XII—MATTERS RELATING** 16 **TO OTHER NATIONS**

### 17 **SEC. 1201. SUPPORT OF UNITED NATIONS-SPONSORED EF-** 18 **FORTS TO INSPECT AND MONITOR IRAQI** 19 **WEAPONS ACTIVITIES.**

20 (a) *LIMITATION ON AMOUNT OF ASSISTANCE IN FIS-*  
 21 *CAL YEAR 2003.—The total amount of the assistance for*  
 22 *fiscal year 2003 that is provided by the Secretary of Defense*  
 23 *under section 1505 of the Weapons of Mass Destruction*  
 24 *Control Act of 1992 (22 U.S.C. 5859a) as activities of the*

1 *Department of Defense in support of activities under that*  
2 *Act may not exceed \$15,000,000.*

3 (b) *EXTENSION OF AUTHORITY TO PROVIDE ASSIST-*  
4 *ANCE.—Subsection (f) of section 1505 of the Weapons of*  
5 *Mass Destruction Control Act of 1992 (22 U.S.C. 5859a)*  
6 *is amended by striking “2002” and inserting “2003”.*

7 **SEC. 1202. STRENGTHENING THE DEFENSE OF TAIWAN.**

8 (a) *IMPLEMENTATION OF TRAINING PLAN.—Not later*  
9 *than 180 days after the date of enactment of this Act, the*  
10 *Secretary of Defense shall implement a comprehensive plan*  
11 *to conduct joint operational training for, and exchanges of*  
12 *senior officers between, the Armed Forces of the United*  
13 *States and the military forces of Taiwan. Such plan shall*  
14 *include implementation of a wide range of programs, ac-*  
15 *tivities, exercises, and arrangements focused on threat anal-*  
16 *ysis, military doctrine, force planning, logistical support,*  
17 *intelligence collection and analysis, operational tactics,*  
18 *techniques, and procedures, civil-military relations, and*  
19 *other subjects designed to improve the defensive capabilities*  
20 *of Taiwan and to enhance interoperability between the*  
21 *military forces of Taiwan and the Armed Forces of the*  
22 *United States.*

23 (b) *SUBMISSION TO CONGRESS.—At least 30 days be-*  
24 *fore commencing implementation of the plan described in*  
25 *subsection (a), the Secretary of Defense shall submit the*

1 *plan to Congress, in classified and unclassified form as nec-*  
 2 *essary.*

3 **SEC. 1203. ADMINISTRATIVE SERVICES AND SUPPORT FOR**  
 4 **FOREIGN LIAISON OFFICERS.**

5 *(a) AUTHORITY.—Subchapter II of chapter 138 of title*  
 6 *10, United States Code, is amended by adding at the end*  
 7 *the following new section:*

8 **“§ 2350m. Administrative services and support for for-**  
 9 **eign liaison officers**

10 *“(a) AUTHORITY TO PROVIDE SERVICES AND SUP-*  
 11 *PORT.—The Secretary of Defense may provide administra-*  
 12 *tive services and support for foreign liaison officers per-*  
 13 *forming duties while such officers temporarily are assigned*  
 14 *to components or commands of the armed forces. Such ad-*  
 15 *ministrative services and support may include base or in-*  
 16 *stallation operation support services, office space, utilities,*  
 17 *copying services, fire and police protection, and computer*  
 18 *support. The Secretary may provide such administrative*  
 19 *services and support with or without reimbursement, as the*  
 20 *Secretary considers appropriate.*

21 *“(b) EXPIRATION OF AUTHORITY.—The authority*  
 22 *under this section shall expire on September 30, 2005.”.*

23 *(b) CLERICAL AMENDMENT.—The table of sections at*  
 24 *the beginning of such subchapter is amended by adding at*  
 25 *the end the following new item:*

*“2350m. Administrative services and support for foreign liaison officers.”.*

1       (c) *REPORT*.—Not later than March 1, 2005, the Sec-  
 2       retary of Defense shall provide to the Committees on Armed  
 3       Services of the Senate and the House of Representatives a  
 4       report describing, as of the date of submission of the  
 5       report—

6               (1) *the number of foreign liaison officers for*  
 7       *which support has been provided under section 2350m*  
 8       *of title 10, United States Code (as added by sub-*  
 9       *section (a));*

10              (2) *the countries from which such foreign liaison*  
 11       *officers are or were assigned;*

12              (3) *the type of support provided, the duration for*  
 13       *which the support was provided, and the reasons the*  
 14       *support was provided; and*

15              (4) *the costs to the Department of Defense and*  
 16       *the United States of providing such support.*

17       **SEC. 1204. ADDITIONAL COUNTRIES COVERED BY LOAN**  
 18               **GUARANTEE PROGRAM.**

19       Section 2540 of title 10, United States Code, is  
 20       amended—

21              (1) *in subsection (b), by adding at the end the*  
 22       *following new paragraph:*

23              “(5) *A country that, as determined by the Sec-*  
 24       *retary of Defense in consultation with the Secretary*

1        *of State, assists in combatting drug trafficking orga-*  
 2        *nizations or foreign terrorist organizations.”; and*

3                *(2) by adding at the end the following new sub-*  
 4        *section:*

5        *“(d) REPORT.—The Secretary of Defense and the Sec-*  
 6        *retary of State, whenever the Secretaries consider such ac-*  
 7        *tion to be warranted, shall jointly submit to the Committees*  
 8        *on Armed Services and Foreign Relations of the Senate and*  
 9        *the Committees on Armed Services and International Rela-*  
 10       *tions of the House of Representatives a report enumerating*  
 11       *those countries to be added or removed under subsection*  
 12       *(b).”.*

13       **SEC. 1205. LIMITATION ON FUNDING FOR JOINT DATA EX-**  
 14                **CHANGE CENTER IN MOSCOW.**

15        *(a) LIMITATION.—Not more than 50 percent of the*  
 16        *funds made available to the Department of Defense for fiscal*  
 17        *year 2003 for activities associated with the Joint Data Ex-*  
 18        *change Center in Moscow, Russia, may be obligated or ex-*  
 19        *pende for any such activity until—*

20                *(1) the United States and the Russian Federa-*  
 21        *tion enter into a cost-sharing agreement as described*  
 22        *in subsection (d) of section 1231 of the Floyd D.*  
 23        *Spence National Defense Authorization Act for Fiscal*  
 24        *Year 2001 (as enacted into law by Public Law 106–*  
 25        *398; 114 Stat. 1654A–329);*



1           (2) *the United States and the Russian Federa-*  
 2           *tion enter into an agreement or agreements exempting*  
 3           *the United States and any United States person from*  
 4           *Russian taxes, and from liability under Russian*  
 5           *laws, with respect to activities associated with the*  
 6           *Joint Data Exchange Center;*

7           (3) *the Secretary of Defense submits to the Com-*  
 8           *mittee on Armed Services of the Senate and the Com-*  
 9           *mittee on Armed Services of the House of Representa-*  
 10          *tives a copy of each agreement referred to in para-*  
 11          *graphs (1) and (2); and*

12          (4) *a period of 30 days has expired after the date*  
 13          *of the final submission under paragraph (3).*

14          (b) *JOINT DATA EXCHANGE CENTER.*—For purposes  
 15          *of this section, the term “Joint Data Exchange Center”*  
 16          *means the United States-Russian Federation joint center*  
 17          *for the exchange of data to provide early warning of*  
 18          *launches of ballistic missiles and for notification of such*  
 19          *launches that is provided for in a joint United States-Rus-*  
 20          *sian Federation memorandum of agreement signed in Mos-*  
 21          *cow in June 2000.*

22          **SEC. 1206. LIMITATION ON NUMBER OF MILITARY PER-**  
 23          **SONNEL IN COLOMBIA.**

24          (a) *LIMITATION.*—None of the funds available to the  
 25          *Department of Defense may be used to support or maintain*

1 *more than 500 members of the Armed Forces on duty in*  
2 *the Republic of Colombia at any time.*

3 (b) *EXCEPTIONS.—There shall be excluded from count-*  
4 *ing for the purposes of the limitation in subsection (a) the*  
5 *following:*

6 (1) *A member of the Armed Forces in the Repub-*  
7 *lic of Colombia for the purpose of rescuing or retriev-*  
8 *ing United States military or civilian Government*  
9 *personnel, except that the period for which such a*  
10 *member may be so excluded may not exceed 30 days*  
11 *unless expressly authorized by law.*

12 (2) *A member of the Armed Forces assigned to*  
13 *the United States Embassy in Colombia as an*  
14 *attaché, as a member of the security assistance office,*  
15 *or as a member of the Marine Corps security contin-*  
16 *gent.*

17 (3) *A member of the Armed Forces in Colombia*  
18 *to participate in relief efforts in responding to a nat-*  
19 *ural disaster.*

20 (4) *Nonoperational transient military personnel.*

21 (5) *A member of the Armed Forces making a*  
22 *port call from a military vessel in Colombia.*

23 (c) *WAIVER.—The Secretary of Defense may waive the*  
24 *limitation in subsection (a) if he determines that such waiv-*  
25 *er is in the national security interest.*

1       (d) *NOTIFICATION.*—*The Secretary shall notify the*  
 2 *congressional defense committees not later 15 days after the*  
 3 *date of the exercise of the waiver authority under subsection*  
 4 *(c).*

5       ***TITLE                   XIII—COOPERATIVE***  
 6       ***THREAT   REDUCTION   WITH***  
 7       ***STATES OF THE FORMER SO-***  
 8       ***VIET UNION***

9       ***SEC. 1301. SPECIFICATION OF COOPERATIVE THREAT RE-***  
 10       ***DUCTION PROGRAMS AND FUNDS.***

11       (a) *SPECIFICATION OF CTR PROGRAMS.*—*For pur-*  
 12 *poses of section 301 and other provisions of this Act, Coop-*  
 13 *erative Threat Reduction programs are the programs speci-*  
 14 *fied in section 1501(b) of the National Defense Authoriza-*  
 15 *tion Act for Fiscal Year 1997 (Public Law 104–201; 110*  
 16 *Stat. 2731; 50 U.S.C. 2362 note).*

17       (b) *FISCAL YEAR 2003 COOPERATIVE THREAT REDUC-*  
 18 *TION FUNDS DEFINED.*—*As used in this title, the term “fis-*  
 19 *cal year 2003 Cooperative Threat Reduction funds” means*  
 20 *the funds appropriated pursuant to the authorization of ap-*  
 21 *propriations in section 301 for Cooperative Threat Reduc-*  
 22 *tion programs.*

23       (c) *AVAILABILITY OF FUNDS.*—*Funds appropriated*  
 24 *pursuant to the authorization of appropriations in section*

1 301 for Cooperative Threat Reduction programs shall be  
2 available for obligation for three fiscal years.

3 **SEC. 1302. FUNDING ALLOCATIONS.**

4 (a) *FUNDING FOR SPECIFIC PURPOSES.*—Of the  
5 \$416,700,000 authorized to be appropriated to the Depart-  
6 ment of Defense for fiscal year 2003 in section 301(23) for  
7 Cooperative Threat Reduction programs, the following  
8 amounts may be obligated for the purposes specified:

9 (1) *For strategic offensive arms elimination in*  
10 *Russia, \$70,500,000.*

11 (2) *For strategic nuclear arms elimination in*  
12 *Ukraine, \$6,500,000.*

13 (3) *For nuclear weapons transportation security*  
14 *in Russia, \$19,700,000.*

15 (4) *For nuclear weapons storage security in Rus-*  
16 *sia, \$39,900,000.*

17 (5) *For activities designated as Other Assess-*  
18 *ments/Administrative Support, \$14,700,000.*

19 (6) *For defense and military contacts,*  
20 *\$18,900,000.*

21 (7) *For weapons of mass destruction infrastruc-*  
22 *ture elimination activities in Kazakhstan, \$9,000,000.*

23 (8) *For weapons of mass destruction infrastruc-*  
24 *ture elimination activities in Ukraine, \$8,800,000.*

1           (9) *For chemical weapons destruction in Russia,*  
2       \$50,000,000.

3           (10) *For biological weapons facility dismantlement in the States of the former Soviet Union*  
4       \$11,500,000.

6           (11) *For biological weapons facility security and*  
7       *safety in the States of the former Soviet Union,*  
8       \$34,800,000.

9           (12) *For biological weapons collaborative re-*  
10      *search in the States of the former Soviet Union,*  
11      \$8,700,000.

12          (13) *For personnel reliability programs in Rus-*  
13      *sia, \$100,000.*

14          (14) *For weapons of mass destruction prolifera-*  
15      *tion prevention in the States of the former Soviet*  
16      *Union, \$40,000,000.*

17      (b) *ADDITIONAL FUNDS AUTHORIZED FOR CERTAIN*  
18      *PURPOSES.—Of the funds authorized to be appropriated to*  
19      *the Department of Defense for fiscal year 2003 in section*  
20      *301(23) for Cooperative Threat Reduction programs,*  
21      *\$83,600,000 may be obligated for any of the purposes speci-*  
22      *fied in paragraphs (1) through (4) and (9) of subsection*  
23      *(a) in addition to the amounts specifically authorized in*  
24      *such paragraphs.*

1       (c) *REPORT ON OBLIGATION OR EXPENDITURE OF*  
2 *FUNDS FOR OTHER PURPOSES.*—No fiscal year 2003 Coop-  
3 *erative Threat Reduction funds may be obligated or ex-*  
4 *pended for a purpose other than a purpose listed in para-*  
5 *graphs (1) through (14) of subsection (a) until 30 days after*  
6 *the date that the Secretary of Defense submits to Congress*  
7 *a report on the purpose for which the funds will be obligated*  
8 *or expended and the amount of funds to be obligated or ex-*  
9 *pended. Nothing in the preceding sentence shall be construed*  
10 *as authorizing the obligation or expenditure of fiscal year*  
11 *2003 Cooperative Threat Reduction funds for a purpose for*  
12 *which the obligation or expenditure of such funds is specifi-*  
13 *cally prohibited under this title or any other provision of*  
14 *law.*

15       (d) *LIMITED AUTHORITY TO VARY INDIVIDUAL*  
16 *AMOUNTS.*—(1) *Subject to paragraphs (2) and (3), in any*  
17 *case in which the Secretary of Defense determines that it*  
18 *is necessary to do so in the national interest, the Secretary*  
19 *may obligate amounts appropriated for fiscal year 2003 for*  
20 *a purpose listed in any of the paragraphs in subsection (a)*  
21 *in excess of the amount specifically authorized for such pur-*  
22 *pose (including amounts authorized under subsection (b)).*  
23       (2) *An obligation of funds for a purpose stated in any*  
24 *of the paragraphs in subsection (a) in excess of the specific*

1 *amount authorized for such purpose may be made using*  
 2 *the authority provided in paragraph (1) only after—*

3 *(A) the Secretary submits to Congress notifica-*  
 4 *tion of the intent to do so together with a complete*  
 5 *discussion of the justification for doing so; and*

6 *(B) 15 days have elapsed following the date of*  
 7 *the notification.*

8 *(3) The Secretary may not, under the authority pro-*  
 9 *vided in paragraph (1), obligate amounts for the purposes*  
 10 *stated any of paragraphs (5) through (13) of subsection (a)*  
 11 *in excess of 115 percent of the amount specifically author-*  
 12 *ized for such purposes.*

13 **SEC. 1303. PROHIBITION AGAINST USE OF FUNDS UNTIL**  
 14 **SUBMISSION OF REPORTS.**

15 *No fiscal year 2003 Cooperative Threat Reduction*  
 16 *funds may be obligated or expended until 30 days after the*  
 17 *date of the submission of—*

18 *(1) the report required to be submitted in fiscal*  
 19 *year 2002 under section 1308(a) of the Floyd D.*  
 20 *Spence National Defense Authorization Act for Fiscal*  
 21 *Year 2001 (as enacted into law by Public Law 106–*  
 22 *398; 114 Stat. 1654A–341); and*

23 *(2) the update for the multiyear plan required to*  
 24 *be submitted for fiscal year 2001 under section 1205*  
 25 *of the National Defense Authorization Act for Fiscal*

1        *Year 1995 (Public Law 103–337; 22 U.S.C. 5952*  
2        *note).*

3        **SEC. 1304. REPORT ON USE OF REVENUE GENERATED BY**  
4                                **ACTIVITIES CARRIED OUT UNDER COOPERA-**  
5                                **TIVE THREAT REDUCTION PROGRAMS.**

6        *Section 1308(c) of the Floyd D. Spence National De-*  
7        *fense Authorization Act for Fiscal Year 2001 (as enacted*  
8        *into law by Public Law 106–398; 114 Stat. 1654A–341)*  
9        *is amended by inserting at the end the following new para-*  
10       *graph:*

11                        *“(6) To the maximum extent practicable, a de-*  
12                        *scription of how revenue generated by activities car-*  
13                        *ried out under Cooperative Threat Reduction pro-*  
14                        *grams in recipient States is being utilized, monitored,*  
15                        *and accounted for.”.*

16        **SEC. 1305. PROHIBITION AGAINST USE OF FUNDS FOR SEC-**  
17                                **OND WING OF FISSILE MATERIAL STORAGE**  
18                                **FACILITY.**

19        *No funds authorized to be appropriated for Coopera-*  
20        *tive Threat Reduction programs for any fiscal year may*  
21        *be used for the design, planning, or construction of a second*  
22        *wing for a storage facility for Russian fissile material.*



1 **SEC. 1306. SENSE OF CONGRESS AND REPORT REQUIRE-**  
2 **MENT REGARDING RUSSIAN PROLIFERATION**  
3 **TO IRAN.**

4 (a) *SENSE OF CONGRESS.*—*It is the sense of Congress*  
5 *that—*

6 (1) *Russian proliferation to Iran constitutes a*  
7 *clear threat to the national security and vital inter-*  
8 *ests of the United States and undermines the purpose*  
9 *and goals of Cooperative Threat Reduction programs;*

10 (2) *such proliferation consists primarily of nu-*  
11 *clear and missile technology, goods, and know-how,*  
12 *and dual-use items that could contribute to the devel-*  
13 *opment of weapons of mass destruction and ballistic*  
14 *missiles;*

15 (3) *because of ongoing Russian assistance, the*  
16 *intelligence community estimates that Iran could at-*  
17 *tempt to launch an intercontinental ballistic missile*  
18 *by 2005, and could possess a nuclear weapon by 2010;*

19 (4) *Russian proliferation is providing Iran with*  
20 *the capability to strike United States military forces,*  
21 *interests, allies, and friends in the region with weap-*  
22 *ons-of-mass-destruction-tipped ballistic missiles;*

23 (5) *the issue of Russian proliferation to Iran has*  
24 *been raised by United States officials at the highest*  
25 *levels of the Russian Government;*

1           (6) *Iran has long been identified as a State*  
2           *sponsor of terrorism by the United States because of*  
3           *its support of foreign terrorist organizations, and the*  
4           *combination of terrorist organizations and weapons of*  
5           *mass destruction constitutes a grave threat to the na-*  
6           *tional security of the United States;*

7           (7) *Russian proliferation to Iran raises serious*  
8           *questions regarding the intentions of the Russian*  
9           *Government, and its commitment to nonproliferation*  
10          *and improved relations with the United States;*

11          (8) *Russian proliferation to Iran could under-*  
12          *mine Congressional support for Cooperative Threat*  
13          *Reduction programs; and*

14          (9) *the President must safeguard United States*  
15          *national security and demonstrate United States re-*  
16          *solve and commitment to stopping the proliferation of*  
17          *weapons of mass destruction and ballistic missiles*  
18          *through clear, firm, and coherent policies and strate-*  
19          *gies that employ the full range of diplomatic and eco-*  
20          *nomic tools at his disposal, both positive and nega-*  
21          *tive, to halt the serious and continuing problem of*  
22          *Russian proliferation.*

23          (b) *REPORT.—Not later than March 15 of 2003*  
24          *through 2009, the President shall submit to Congress a re-*  
25          *port (in unclassified and classified form as necessary) de-*

1 scribing in detail Russian proliferation of weapons of mass  
2 destruction and ballistic missile goods, technology, and  
3 know-how, and of dual-use items that may contribute to the  
4 development of weapons of mass destruction and ballistic  
5 missiles, to Iran and to other countries during the year pre-  
6 ceding the year in which the report is submitted. The report  
7 shall include—

8 (1) a net assessment prepared by the Office of  
9 Net Assessment of the Department of Defense; and

10 (2) a detailed description of the following:

11 (A) The number, type, and quality of direct  
12 and dual-use weapons of mass destruction and  
13 ballistic missile goods, items, and technology  
14 being transferred.

15 (B) The form, location, and manner in  
16 which such transfers take place.

17 (C) The contribution that such transfers  
18 could make to the recipient States' weapons of  
19 mass destruction and ballistic missile programs,  
20 and how soon such States will test, possess, and  
21 deploy weapons of mass destruction and ballistic  
22 missiles.

23 (D) The impact that such transfers have, or  
24 could have, on United States national security,  
25 on regional friends, allies, and interests, and on

1           *United States military forces deployed in the re-*  
2           *gion to which such transfers are being made.*

3           *(E) The actions being taken by the United*  
4           *States to counter and defend against capabilities*  
5           *developed by the recipient States as a result of*  
6           *such transfers.*

7           *(F) The strategy, plan, or policy incor-*  
8           *porating the full range of policy tools available*  
9           *that the President intends to employ to halt Rus-*  
10          *sian proliferation, the rationale for employing*  
11          *such tools, and the timeline by which the Presi-*  
12          *dent expects to see material progress in ending*  
13          *Russian proliferation of direct and dual-use*  
14          *weapons of mass destruction and missile goods,*  
15          *technologies, and know-how.*

16   **SEC. 1307. PROHIBITION AGAINST USE OF COOPERATIVE**  
17                   **THREAT REDUCTION FUNDS OUTSIDE THE**  
18                   **STATES OF THE FORMER SOVIET UNION.**

19          *No Cooperative Threat Reduction funds authorized or*  
20          *appropriated for any fiscal year may be used for threat*  
21          *reduction projects, programs, or activities in countries other*  
22          *than the States of the former Soviet Union.*

1 **SEC. 1308. LIMITED WAIVER OF RESTRICTION ON USE OF**  
2 **FUNDS.**

3 (a) *WAIVER AUTHORITY.*—(1) *The restriction de-*  
4 *scribed in subsection (d)(5) of section 1203 of the National*  
5 *Defense Authorization Act for Fiscal Year 1994 (Public*  
6 *Law 103–160; 107 Stat. 1779; 22 U.S.C. 5952) shall not*  
7 *apply with respect to United States assistance to Russia*  
8 *if the President submits to Congress a written certification*  
9 *that waiving the restriction is important to the national*  
10 *security interests of the United States.*

11 (2) *The authority under paragraph (1) shall expire on*  
12 *December 31, 2005.*

13 (b) *REPORT.*—*Not later than 30 days after the date*  
14 *that the President applies the waiver authority under sub-*  
15 *section (a), the President shall submit to Congress a report*  
16 *(in classified and unclassified form as necessary)*  
17 *describing—*

18 (1) *the arms control agreements with which Rus-*  
19 *sia is not committed to complying, the form or forms*  
20 *of noncommittal, and detailed evidence of such non-*  
21 *committal;*

22 (2) *why use of the waiver of authority was im-*  
23 *portant to protect national security interests; and*

24 (3) *a strategy, plan, or policy incorporating the*  
25 *full range of policy tools available to the President for*

1       *promoting Russian commitment to, and compliance*  
2       *with, all relevant arms control agreements.*

3   **SEC. 1309. LIMITATION ON USE OF FUNDS UNTIL SUBMIS-**  
4                   **SION OF REPORT ON DEFENSE AND MILITARY**  
5                   **CONTACTS ACTIVITIES.**

6       *Not more than 50 percent of fiscal year 2003 Coopera-*  
7       *tive Threat Reduction Funds may be obligated or expended*  
8       *for defense and military contacts activities until the Sec-*  
9       *retary of Defense submits to Congress a report describing*  
10      *in detail the operation and success of such activities carried*  
11      *out under Cooperative Threat Reduction programs during*  
12      *fiscal years 2001 and 2002. Such report shall include a de-*  
13      *scription of—*

14                (1) *the amounts obligated or expended for such*  
15      *activities;*

16                (2) *the purposes, goals, and objectives for which*  
17      *such amounts were obligated and expended;*

18                (3) *a description of the activities carried out, in-*  
19      *cluding the forms of assistance provided, and the jus-*  
20      *tification for each form of assistance provided;*

21                (4) *the success of each activity, including the*  
22      *goals and objectives achieved for each;*

23                (5) *a description of participation by private sec-*  
24      *tor entities in the United States in carrying out such*

activities, and the participation of any other Federal department or agency in such activities; and

(6) any other information that the Secretary considers relevant to provide a complete description of the operation and success of activities carried out under Cooperative Threat Reduction programs.

## **TITLE XIV—UTAH TEST AND TRAINING RANGE**

### **SEC. 1401. DEFINITION OF UTAH TEST AND TRAINING RANGE.**

In this title, the term “Utah Test and Training Range” means those portions of the military operating area of the Utah Test and Training Area located solely in the State of Utah. The term includes the Dugway Proving Ground.

### **SEC. 1402. MILITARY OPERATIONS AND OVERFLIGHTS AT UTAH TEST AND TRAINING RANGE.**

(a) *FINDINGS.*—The Congress finds the following:

(1) The testing and development of military weapons systems and the training of military forces are critical to ensuring the national security of the United States.

(2) The Utah Test and Training Range is a unique and irreplaceable national asset at the core of

1        *the test and training mission of the Department of*  
2        *Defense.*

3            (3) *Areas designated as wilderness study areas*  
4        *are located near lands withdrawn for military use*  
5        *and are beneath special use airspace critical to the*  
6        *support of military test and training missions at the*  
7        *Utah Test and Training Range.*

8            (4) *Continued unrestricted access to the special*  
9        *use airspace and lands that comprise the Utah Test*  
10       *and Training Range is a national security priority*  
11       *and is not incompatible with the protection and prop-*  
12       *er management of the natural, environmental, cul-*  
13       *tural, and other resources of such lands.*

14        (b) *OVERFLIGHTS.*—(1) *Nothing in this title, the Wil-*  
15       *derness Act (16 U.S.C. 1131 et seq.), or other land manage-*  
16       *ment laws generally applicable to federally designated wil-*  
17       *derness areas or wilderness study areas in the Utah Test*  
18       *and Training Range shall restrict or preclude low-level*  
19       *overflights, low-level military overflights and operations of*  
20       *military aircraft, helicopters, unmanned aerial vehicles,*  
21       *military overflights or military overflights and operations*  
22       *that can be seen or heard within those areas.*

23            (2) *Paragraph (1) precludes any restriction regarding*  
24        *altitude or airspeed, noise level, supersonic flight, route of*  
25        *flight, time of flight, seasonal usage, or numbers of flights*



1 *of any military aircraft, helicopters, unmanned aerial vehi-*  
2 *cles, missiles, aerospace vehicles, and other military weap-*  
3 *ons systems over federally designated wilderness areas or*  
4 *wilderness study areas in the Utah Test and Training*  
5 *Range.*

6       (3) *In this subsection, the term “low-level” includes*  
7 *any flight down to and including 10 feet above ground level.*

8       (c) *SPECIAL USE AIRSPACE AND TRAINING ROUTES.—*  
9 *Nothing in this title, the Wilderness Act, or other land man-*  
10 *agement laws generally applicable to federally designated*  
11 *wilderness areas or wilderness study areas in the Utah Test*  
12 *and Training Range shall restrict or preclude the designa-*  
13 *tion of new units of special use airspace, the expansion of*  
14 *existing units of special use airspace, or the use or establish-*  
15 *ment of military training routes over federally designated*  
16 *wilderness areas or wilderness study areas in the Utah Test*  
17 *and Training Range.*

18       (d) *COMMUNICATIONS AND TRACKING SYSTEMS.—*  
19 *Nothing in this title, the Wilderness Act, or other land man-*  
20 *agement laws generally applicable to federally designated*  
21 *wilderness areas or wilderness study areas in the Utah Test*  
22 *and Training Range shall be construed to require the re-*  
23 *moval of existing communications, instrumentation, or elec-*  
24 *tronic tracking systems from these areas, to prevent any*  
25 *required maintenance of such systems, or to prevent the in-*

1 *stallation of new communication, instrumentation, or other*  
2 *equipment necessary for effective testing and training to*  
3 *meet military requirements so long as the installation and*  
4 *maintenance of such systems do not require construction of*  
5 *any permanent roads in any federally designated wilder-*  
6 *ness area or wilderness study area.*

7       *(e) EMERGENCY ACCESS AND RESPONSE.—(1) Noth-*  
8 *ing in this title, the Wilderness Act, or other land manage-*  
9 *ment laws generally applicable to federally designated wil-*  
10 *derness areas or wilderness study areas in the Utah Test*  
11 *and Training Range shall restrict or preclude timely access*  
12 *to any area necessary to respond to emergency situations.*  
13 *Immediate access, including access for emergency and res-*  
14 *cue vehicles and equipment, shall not be restricted if human*  
15 *life or health may be in jeopardy.*

16       *(2) Not later than 120 days after the date of the enact-*  
17 *ment of this Act, the Secretary of the Air Force and the*  
18 *Secretary of Interior shall enter into a memorandum of un-*  
19 *derstanding providing formal procedures for access to the*  
20 *federally designated wilderness areas or wilderness study*  
21 *areas that are located beneath airspace of the Utah Test*  
22 *and Training Range, which may be necessary to respond*  
23 *to emergency situations, to rescue downed aircrew members,*  
24 *to investigate accident locations, to recover military air-*  
25 *craft or other weapons systems, and to restore accident loca-*

1 tions. Military operations in the Utah Test and Training  
2 Range shall not be limited or restricted in any way pending  
3 completion of the memorandum of understanding.

4 (f) CONTROL OR RESTRICTION OF PUBLIC ACCESS.—

5 (1) When required by national security or public safety,  
6 public access to federally designated wilderness areas or wil-  
7 derness study areas in the Utah Test and Training Range  
8 that are located beneath airspace designated as special use  
9 airspace may be controlled, restricted, or prohibited en-  
10 tirely. Such controls, restrictions, or prohibitions shall re-  
11 main in force for the minimum duration necessary. The  
12 Secretary of the Air Force shall provide advance notice of  
13 such controls, restrictions, or prohibitions to the Secretary  
14 of the Interior.

15 (2) Not later than 120 days after the date of the enact-  
16 ment of this Act, the Secretary of the Air Force and the  
17 Secretary of Interior shall enter into a memorandum of un-  
18 derstanding prescribing procedures for implementing access  
19 controls, restrictions, or prohibitions. Military operations  
20 in the Utah Test and Training Range shall not be limited  
21 or restricted in any way pending completion of the memo-  
22 randum of understanding.

1 **SEC. 1403. DESIGNATION AND MANAGEMENT OF LANDS IN**  
2 **UTAH TEST AND TRAINING RANGE.**

3 (a) *DESIGNATION.*—*The following Federal lands that*  
4 *are in the Utah Test and Training Range are hereby des-*  
5 *ignated as wilderness:*

6 (1) *Those lands that were managed pursuant to*  
7 *the nonimpairment standard set forth in section*  
8 *603(c) of Public Law 94–579 (43 U.S.C. 1782(c)) on*  
9 *or before January 1, 1991.*

10 (2) *Those lands that were acquired by the United*  
11 *States through donation, exchange, or other method of*  
12 *acquisition and—*

13 (A) *are located entirely within the areas*  
14 *identified in paragraph (1); or*

15 (B) *are located within a logical extension of*  
16 *the boundaries of the areas identified in para-*  
17 *graph (1).*

18 (b) *PLANNING PROCESS FOR FEDERAL LANDS IN*  
19 *UTAH TEST AND TRAINING RANGE.*—(1) *The Secretary of*  
20 *the Interior shall not continue the plan amendment process*  
21 *initiated pursuant to section 202 of Public Law 94–579 (43*  
22 *U.S.C. 1712) and published in the Federal Register on*  
23 *March 18, 1999 (64 Fed. Reg. 13439), for Federal lands*  
24 *located in the Utah Test and Training Range.*

25 (2) *The Secretary of the Interior shall not develop,*  
26 *maintain, or revise land use plans pursuant to section 202*

1 of Public Law 94–579 (43 U.S.C. 1712) for Federal lands  
2 located in the Utah Test and Training Range without the  
3 prior concurrence of the Secretary of the Air Force and the  
4 Commander-in-Chief of the military forces of the State of  
5 Utah.

6 (c) *WITHDRAWAL*.—Subject to valid existing rights,  
7 the Federal lands in the areas designated as wilderness by  
8 this title are hereby withdrawn from all forms of entry, ap-  
9 propriation, or disposal under the public land laws, from  
10 location, entry, and patent under the United States mining  
11 laws, and from disposition under all laws pertaining to  
12 mineral and geothermal leasing, and mineral materials,  
13 and all amendments to such laws.

14 (d) *WATER*.—Nothing in this title or any action taken  
15 pursuant to this title shall constitute an express or implied  
16 reservation of surface or groundwater by any person, in-  
17 cluding the United States. Nothing in this title affects any  
18 valid existing water rights in existence before the date of  
19 the enactment of this Act, including any water rights held  
20 by the United States. If the United States determines that  
21 additional water resources are needed for the purposes of  
22 this title, the United States shall acquire such rights in ac-  
23 cordance with the water laws of the State of Utah.

24 (e) *MAP AND DESCRIPTION*.—(1) As soon as prac-  
25 ticable after the date of the enactment of this title, the Sec-

1    *retary of Interior shall transmit a map and legal descrip-*  
2    *tion of the areas designated as wilderness by this title to*  
3    *the Committee on Resources of the House of Representatives*  
4    *and the Committee on Energy and Natural Resources of*  
5    *the Senate.*

6        (2) *The map and legal description shall have the same*  
7    *force and effect as if included in this title, except that the*  
8    *Secretary of Interior may correct clerical and typo-*  
9    *graphical errors in the map and legal description.*

10       (3) *The map and legal description shall be on file and*  
11    *available for public inspection in the office of the Director*  
12    *of the Bureau of Land Management and the office of the*  
13    *State Director of the Bureau of Land Management in the*  
14    *State of Utah.*

15       (f) *ADMINISTRATION.—(1) Subject to valid existing*  
16    *rights and this title, the areas designated as wilderness in*  
17    *this title shall be administered by the Secretary of Interior*  
18    *in accordance with the provisions of the Wilderness Act, ex-*  
19    *cept that any reference in such provisions to the effective*  
20    *date of the Wilderness Act (or any similar reference) shall*  
21    *be deemed to be a reference to the date of the enactment*  
22    *of this Act.*

23       (2) *Any lands or interest in lands within the bound-*  
24    *aries of an area designated as wilderness by this title that*  
25    *is acquired by the United States after the date of the enact-*

1 *ment of this Act shall be added to and administered as part*  
2 *of the wilderness area within which the acquired lands or*  
3 *interest in lands are located.*

4       (3) *The Secretary of the Interior may offer to acquire*  
5 *lands and interest in lands located within the areas des-*  
6 *ignated as wilderness by this title. Such lands may be ac-*  
7 *quired at fair market value under this subsection by pur-*  
8 *chase from willing sellers, by exchange for lands of approxi-*  
9 *mately equal value, or by donation.*

10       (4) *In furtherance of the purposes and principles of*  
11 *the Wilderness Act, management activities to maintain or*  
12 *restore fish and wildlife populations and the habitats to*  
13 *support such populations may be carried out within the*  
14 *areas designated as wilderness by this title where consistent*  
15 *with relevant wilderness management plans, in accordance*  
16 *with appropriate policies and guidelines such as those set*  
17 *forth in appendix B of the Report of the Committee on Inte-*  
18 *rior and Insular Affairs to accompany H.R. 2570 of the*  
19 *101st Congress (H. Rept. 101–405).*

20       (5) *Within the areas designated as wilderness by this*  
21 *title, the grazing of livestock, where established before the*  
22 *date of the enactment of this Act, shall be permitted to con-*  
23 *tinue subject to such reasonable regulations, policies, and*  
24 *practices as the Secretary of the Interior considers nec-*  
25 *essary, as long as such regulations, policies, and practices*

1 *fully conform with and implement the intent of Congress*  
2 *regarding grazing in such areas, as such intent is expressed*  
3 *in the Wilderness Act, section 101(f) of Public Law 101–*  
4 *628, and House Report 101–405, Appendix A.*

5       (6) *Congress does not intend for the designation of the*  
6 *wilderness in this title to lead to the creation of protective*  
7 *perimeters or buffer zones around any area designated as*  
8 *wilderness by this title. The fact that nonwilderness activi-*  
9 *ties or uses can be seen or heard within the areas designated*  
10 *as wilderness by this title shall not, of itself, preclude such*  
11 *activities or uses up to the boundary of that wilderness.*

12       (7) *Until completion of a full revision of the Pony Ex-*  
13 *press Area Resource Management Plan, dated January 12,*  
14 *1990, by the Salt Lake Field Office of the Bureau of Land*  
15 *Management, the Secretary of Interior shall not grant or*  
16 *issue any authorizations pursuant to section 501(a)(6) of*  
17 *Public Law 94–579 (43 U.S.C. 1761(a)(6)) upon Federal*  
18 *lands identified as inventory units UTU-020-088, UTU-*  
19 *020-095, UTU-020-096, and UTU-020-100, as generally de-*  
20 *picted on the map entitled “Wilderness Inventory, State of*  
21 *Utah”, dated August 1979.*

22 **SEC. 1404. DESIGNATION OF PILOT RANGE WILDERNESS.**

23       *Certain Federal lands in Box Elder County, Utah, as*  
24 *generally depicted on the map entitled “Pilot Range Wilder-*  
25 *ness”, and dated October 1, 2001, are hereby designated as*



1 *wilderness, and shall be known as the Pilot Range Wilder-*  
 2 *ness Area.*

3 **SEC. 1405. DESIGNATION OF CEDAR MOUNTAIN WILDER-**  
 4 **NESS.**

5 *Certain Federal lands in Tooele County, Utah, as gen-*  
 6 *erally depicted on the map entitled “Cedar Mountain Wil-*  
 7 *derness”, and dated May 1, 2002, are hereby designated as*  
 8 *wilderness, and shall be known as the Cedar Mountain Wil-*  
 9 *derness Area.*

10 **TITLE XV—COST OF WAR**  
 11 **AGAINST TERRORISM AU-**  
 12 **THORIZATION**

13 **SEC. 1501. SHORT TITLE.**

14 *This title may be cited as the “Cost of War Against*  
 15 *Terrorism Authorization Act of 2002”.*

16 **SEC. 1502. AMOUNTS AUTHORIZED FOR THE WAR ON TER-**  
 17 **RORISM.**

18 *The amounts authorized to be appropriated in this*  
 19 *title, totalling \$10,000,000,000, are authorized for the con-*  
 20 *duct of operations in continuation of the war on terrorism*  
 21 *in accordance with the Authorization for Use of Military*  
 22 *Force (Public Law 107–40; 50 U.S.C. 1541 note) and, to*  
 23 *the extent appropriations are made pursuant to such au-*  
 24 *thorizations, shall only be expended in a manner consistent*  
 25 *with the purposes stated in section 2(a) thereof.*

1 **SEC. 1503. ADDITIONAL AUTHORIZATIONS**

2       *The amounts authorized to be appropriated by this*  
3 *title are in addition to amounts authorized to be appro-*  
4 *priated for military functions of the Department of Defense*  
5 *for fiscal year 2003 in the other provisions of this Act or*  
6 *any other Act.*

7               ***Subtitle A—Authorization of***  
8                       ***Appropriations***

9               **PART I—AUTHORIZATIONS TO TRANSFER**  
10                       **ACCOUNTS**

11 **SEC. 1511. WAR ON TERRORISM OPERATIONS FUND.**

12       (a) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*  
13 *hereby authorized to be appropriated to the Department of*  
14 *Defense for fiscal year 2003 the amount of \$3,544,682,000,*  
15 *to be available only for operations in accordance with the*  
16 *purposes stated in section 1502 for Operation Noble Eagle*  
17 *and Operation Enduring Freedom. Funds authorized in the*  
18 *preceding sentence may only be used as provided in sub-*  
19 *section (b).*

20       (b) *TRANSFER AUTHORITY.*—*Subject to section 1503,*  
21 *the Secretary of Defense may, in the Secretary's discretion,*  
22 *transfer amounts authorized in subsection (a) to any fiscal*  
23 *year 2003 military personnel or operation and mainte-*  
24 *nance account of the Department of Defense for the purposes*  
25 *stated in that subsection.*

1 **SEC. 1512. WAR ON TERRORISM EQUIPMENT REPLACEMENT**  
2 **AND ENHANCEMENT FUND.**

3 (a) *AUTHORIZATION OF APPROPRIATIONS.*—*There is*  
4 *hereby authorized to be appropriated to the Department of*  
5 *Defense for fiscal year 2003 the amount of \$1,000,000,000,*  
6 *to be available only in accordance with the purposes stated*  
7 *in section 1502 and to be used only as provided in sub-*  
8 *section (b).*

9 (b) *TRANSFER AUTHORITY.*—*Subject to section 1513,*  
10 *the Secretary of Defense may, in the Secretary's discretion,*  
11 *transfer amounts authorized in subsection (a) to any fiscal*  
12 *year 2003 procurement or research, development, test, and*  
13 *evaluation account of the Department of Defense for the*  
14 *purpose of—*

15 (1) *emergency replacement of equipment and*  
16 *munitions lost or expended in operations conducted*  
17 *as part of Operation Noble Eagle or Operation En-*  
18 *during Freedom; or*

19 (2) *enhancement of critical military capabilities*  
20 *necessary to carry out operations pursuant to Public*  
21 *Law 107-40.*

22 **SEC. 1513. GENERAL PROVISIONS APPLICABLE TO TRANS-**  
23 **FERS.**

24 (a) *IN GENERAL.*—*Amounts transferred pursuant to*  
25 *section 1511(b) or 1512(b) shall be merged with, and avail-*

1 *able for the same purposes and the same time period as,*  
 2 *the account to which transferred.*

3 (b) *CONGRESSIONAL NOTICE-AND-WAIT REQUIRE-*  
 4 *MENT.—A transfer may not be made under section 1511(b)*  
 5 *or 1512(b) until the Secretary of Defense has submitted a*  
 6 *notice in writing to the Committees on Armed Services and*  
 7 *the Committees on Appropriations of the Senate and House*  
 8 *of Representatives of the proposed transfer and a period of*  
 9 *15 days has elapsed after the date such notice is received.*  
 10 *Any such notice shall include specification of the amount*  
 11 *of the proposed transfer, the account to which the transfer*  
 12 *is to be made, and the purpose of the transfer.*

13 (c) *TRANSFER AUTHORITY CUMULATIVE.—The trans-*  
 14 *fer authority provided by this subtitle is in addition to any*  
 15 *other transfer authority available to the Secretary of De-*  
 16 *fense under this Act or any other Act.*

17 **PART II—AUTHORIZATIONS TO SPECIFIED**  
 18 **ACCOUNTS**

19 **SEC. 1521. ARMY PROCUREMENT.**

20 *Funds are hereby authorized to be appropriated for fis-*  
 21 *cal year 2003 for procurement accounts of the Army in*  
 22 *amounts as follows:*

23 (1) *For ammunition, \$94,000,000.*

24 (2) *For other procurement, \$10,700,000.*

1 **SEC. 1522. NAVY AND MARINE CORPS PROCUREMENT.**

2 (a) NAVY.—*Funds are hereby authorized to be appro-*  
3 *priated for fiscal year 2003 for procurement accounts for*  
4 *the Navy in amounts as follows:*

5 (1) *For aircraft, \$106,000,000.*

6 (2) *For weapons, including missiles and tor-*  
7 *pedoes, \$633,000,000.*

8 (b) MARINE CORPS.—*Funds are hereby authorized to*  
9 *be appropriated for fiscal year 2003 for the procurement*  
10 *account for the Marine Corps in the amount of \$25,200,000.*

11 (c) NAVY AND MARINE CORPS AMMUNITION.—*Funds*  
12 *are hereby authorized to be appropriated for fiscal year*  
13 *2003 for the procurement account for ammunition for the*  
14 *Navy and the Marine Corps in the amount of \$120,600,000.*

15 **SEC. 1523. AIR FORCE PROCUREMENT.**

16 *Funds are hereby authorized to be appropriated for fis-*  
17 *cal year 2003 for procurement accounts for the Air Force*  
18 *in amounts as follows:*

19 (1) *For aircraft, \$214,550,000.*

20 (2) *For ammunition, \$157,900,000.*

21 (3) *For other procurement, \$10,800,000.*

22 **SEC. 1524. DEFENSE-WIDE ACTIVITIES PROCUREMENT.**

23 *Funds are hereby authorized to be appropriated for fis-*  
24 *cal year 2003 for the procurement account for Defense-wide*  
25 *procurement in the amount of \$620,414,000.*

1 **SEC. 1525. RESEARCH, DEVELOPMENT, TEST, AND EVALUA-**  
2 **TION, DEFENSE-WIDE.**

3 *Funds are hereby authorized to be appropriated for fis-*  
4 *cal year 2003 for the research, development, test, and eval-*  
5 *uation account for Defense-wide activities in the amount*  
6 *of \$390,100,000.*

7 **SEC. 1526. CLASSIFIED ACTIVITIES.**

8 *Funds are hereby authorized to be appropriated for the*  
9 *Department of Defense for fiscal year 2003 for unspecified*  
10 *intelligence and classified activities in the amount of*  
11 *\$1,980,674,000, of which—*

12 *(1) \$1,618,874,000 is authorized to be appro-*  
13 *priated to procurement accounts;*

14 *(2) \$301,600,000 is authorized to be appro-*  
15 *priated to operation and maintenance accounts; and*

16 *(3) \$60,200,000 is authorized to be appropriated*  
17 *to research, development, test, and evaluation ac-*  
18 *counts.*

19 **SEC. 1527. GLOBAL INFORMATION GRID SYSTEM.**

20 *None of the funds authorized to be appropriated by this*  
21 *Act for the Department of Defense system known as the*  
22 *Global Information Grid may be obligated until the Sec-*  
23 *retary of Defense submits to the Committees on Armed Serv-*  
24 *ices and the Committees on Appropriations of the Senate*  
25 *and House of Representatives the Secretary's certification*  
26 *that the end-to-end system is secure and protected from un-*

1 *authorized access to the information transmitted through*  
2 *the system.*

3 **SEC. 1528. OPERATION AND MAINTENANCE.**

4 *Funds are hereby authorized to be appropriated for fis-*  
5 *cal year 2003 for the use of the Armed Forces for expenses,*  
6 *not otherwise provided for, for operation and maintenance,*  
7 *in amounts as follows:*

8 *(1) For the Army, \$14,270,000.*

9 *(2) For the Navy, \$5,252,500.*

10 *(3) For the Marine Corps, \$11,396,000.*

11 *(4) For the Air Force, \$517,285,000.*

12 **SEC. 1529. MILITARY PERSONNEL.**

13 *There is hereby authorized to be appropriated to the*  
14 *Department of Defense for military personnel accounts for*  
15 *fiscal year 2003 a total of \$503,100,000.*

16 **PART III—MILITARY CONSTRUCTION**

17 **AUTHORIZATIONS**

18 **SEC. 1531. AUTHORIZED MILITARY CONSTRUCTION AND**

19 **LAND ACQUISITION PROJECTS.**

20 *(a) PROJECTS AUTHORIZED.—Using amounts appro-*  
21 *priated pursuant to the authorization of appropriations in*  
22 *subsection (b), the Secretary of the military department*  
23 *concerned may acquire real property and carry out mili-*  
24 *tary construction projects for the installations and loca-*  
25 *tions, and in the amounts, set forth in the following table:*

**Projects Authorized**

<b>Military Department</b>	<b>Installation or location</b>	<b>Amount</b>
<i>Department of the Army .....</i>	<i>Qatar .....</i>	<i>\$8,600,000</i>
<i>Department of the Navy .....</i>	<i>Naval Station, Guantanamo Bay, Cuba .....</i>	<i>\$4,280,000</i>
	<i>Naval Station, Rota, Spain .....</i>	<i>\$18,700,000</i>
<i>Department of the Air Force ...</i>	<i>Bolling Air Force Base, District of Columbia .....</i>	<i>\$3,500,000</i>
	<i>Total .....</i>	<i>\$35,080,000</i>

1       (b) *AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
2       *hereby authorized to be appropriated for fiscal year 2003*  
3       *for the military construction projects authorized by sub-*  
4       *section (a) in the total amount of \$35,080,000.*

5               ***Subtitle B—Wartime Pay and***  
6               ***Allowance Increases***

7       ***SEC. 1541. INCREASE IN RATE FOR FAMILY SEPARATION AL-***  
8               ***LOWANCE.***

9       *Section 427(a)(1) of title 37, United States Code, is*  
10       *amended by striking “\$100” and inserting “\$125”.*

11       ***SEC. 1542. INCREASE IN RATES FOR VARIOUS HAZARDOUS***  
12               ***DUTY INCENTIVE PAYS.***

13       (a) *FLIGHT PAY FOR CREW MEMBERS.—Subsection*  
14       *(b) of section 301 of title 37, United States Code, is amend-*  
15       *ed by striking the table and inserting the following new*  
16       *table:*

<i>“Pay grade:</i>	<i>Monthly Rate</i>
<i>O–10 .....</i>	<i>\$200</i>
<i>O–9 .....</i>	<i>\$200</i>
<i>O–8 .....</i>	<i>\$200</i>
<i>O–7 .....</i>	<i>\$200</i>
<i>O–6 .....</i>	<i>\$300</i>
<i>O–5 .....</i>	<i>\$300</i>
<i>O–4 .....</i>	<i>\$275</i>
<i>O–3 .....</i>	<i>\$225</i>



<i>“Pay grade:</i>	<i>Monthly Rate</i>
<i>O–2</i> .....	<i>\$200</i>
<i>O–1</i> .....	<i>\$200</i>
<i>W–5</i> .....	<i>\$300</i>
<i>W–4</i> .....	<i>\$300</i>
<i>W–3</i> .....	<i>\$225</i>
<i>W–2</i> .....	<i>\$200</i>
<i>W–1</i> .....	<i>\$200</i>
<i>E–9</i> .....	<i>\$290</i>
<i>E–8</i> .....	<i>\$290</i>
<i>E–7</i> .....	<i>\$290</i>
<i>E–6</i> .....	<i>\$265</i>
<i>E–5</i> .....	<i>\$240</i>
<i>E–4</i> .....	<i>\$215</i>
<i>E–3</i> .....	<i>\$200</i>
<i>E–2</i> .....	<i>\$200</i>
<i>E–1</i> .....	<i>\$200”.</i>

1        *(b) INCENTIVE PAY FOR PARACHUTE JUMPING WITH-*  
2        *OUT STATIC LINE.—Subsection (c)(1) of such section is*  
3        *amended by striking “\$225” and inserting “\$275”.*

4        *(c) OTHER HAZARDOUS DUTIES.—Subsection (c)(1) of*  
5        *such section is amended by striking “\$150” and inserting*  
6        *“\$200”.*

7        *(d) REMOVAL OF AIR WEAPONS CONTROLLER CREW*  
8        *MEMBERS FROM LIST OF HAZARDOUS DUTIES.—Such sec-*  
9        *tion is further amended—*

10                *(1) in subsection (a)—*

11                        *(A) by striking paragraph (12);*

12                        *(B) in paragraph (11), by striking “; or”*  
13                        *and inserting a period; and*

14                        *(C) in paragraph (10), by inserting “or”*  
15                        *after the semicolon; and*

16                *(2) in subsection (c), as amended by subsections*  
17        *(b) and (c) of this section—*

1 (A) by striking “(1)”; and

2 (B) by striking paragraph (2).

3 **SEC. 1543. INCREASE IN RATE FOR DIVING DUTY SPECIAL**

4 **PAY.**

5 Section 304(b) of title 37, United States Code, is  
6 amended—

7 (1) by striking “\$240” and inserting “\$290”;

8 and

9 (2) by striking “\$340” and inserting “\$390”.

10 **SEC. 1544. INCREASE IN RATE FOR IMMINENT DANGER PAY.**

11 Section 310(a) of title 37, United States Code, is  
12 amended by striking “\$150” and inserting “\$250”.

13 **SEC. 1545. INCREASE IN RATE FOR CAREER ENLISTED**

14 **FLYER INCENTIVE PAY.**

15 The table in section 320(d) of title 37, United States  
16 Code, is amended to read as follows:

<b>“Years of aviation service</b>	<b>Monthly rate</b>
4 or less .....	\$200
Over 4 .....	\$275
Over 8 .....	\$400
Over 14 .....	\$450”.

17 **SEC. 1546. INCREASE IN AMOUNT OF DEATH GRATUITY.**

18 Section 1478(a) of title 10, United States Code, is  
19 amended by striking “\$6,000” and inserting “\$12,000”.

20 **SEC. 1547. EFFECTIVE DATE.**

21 (a) *IN GENERAL.*—Except as provided in subsection  
22 (b), the amendments made by this title shall take effect on  
23 the later of the following:

1           (1) *The first day of the first month beginning on*  
 2           *or after the date of the enactment of this Act.*

3           (2) *October 1, 2002.*

4           (b) *DEATH GRATUITY.—The amendment made by sec-*  
 5           *tion 1546 shall apply with respect to a person covered by*  
 6           *section 1475 or 1476 of title 10, United States Code, whose*  
 7           *date of death occurs on or after the later of the following:*

8           (1) *The date of the enactment of this Act.*

9           (2) *October 1, 2002.*

## 10    ***Subtitle C—Additional Provisions***

### 11    ***SEC. 1551. ESTABLISHMENT OF AT LEAST ONE WEAPONS OF*** 12           ***MASS DESTRUCTION CIVIL SUPPORT TEAM IN*** 13           ***EACH STATE.***

14           (a) *FINDINGS.—Congress makes the following findings:*

15           (1) *Weapons of Mass Destruction Civil Support*  
 16           *Teams are strategic assets, stationed at the oper-*  
 17           *ational level, as an immediate response capability to*  
 18           *assist local responders in the event of an emergency*  
 19           *within the United States involving use or potential*  
 20           *use of weapons of mass destruction.*

21           (2) *Since September 11 2001, Civil Support*  
 22           *Teams have responded to more than 200 requests for*  
 23           *support from civil authorities for actual or potential*  
 24           *weapons of mass destruction incidents and have sup-*  
 25           *ported various national events, including the World*

1       *Series, the Super Bowl, and the 2002 Winter Olym-*  
2       *pics.*

3               *(3) To enhance homeland security as the Nation*  
4       *fights the war against terrorism, each State and terri-*  
5       *tory must have a Weapons of Mass Destruction Civil*  
6       *Support Team to respond to potential weapons of*  
7       *mass destruction incidents.*

8               *(4) In section 1026 of the Bob Stump National*  
9       *Defense Authorization Act for Fiscal Year 2003 as*  
10       *passed the House of Representatives on May 10, 2002*  
11       *(H.R. 4546 of the 107th Congress), the House of Rep-*  
12       *resentatives has already taken action to that end by*  
13       *expressing the sense of Congress that the Secretary of*  
14       *Defense should establish 23 additional Weapons of*  
15       *Mass Destruction Civil Support Teams in order to*  
16       *provide at least one such team in each State and ter-*  
17       *ritory.*

18               *(5) According to a September 2001 report of the*  
19       *Comptroller General entitled “Combating Terrorism”,*  
20       *the Department of Defense plans that there eventually*  
21       *should be a Weapons of Mass Destruction Civil Sup-*  
22       *port Teams in each State, territory, and the District*  
23       *of Columbia.*

24       *(b) REQUIREMENT.—From funds authorized to be ap-*  
25       *propriated in section 101, the Secretary of Defense shall en-*

1 *sure that there is established at least one Weapons of Mass*  
 2 *Destruction Civil Support Team in each State.*

3 *(c) DEFINITIONS.—For purposes of this section:*

4 *(1) The term “Weapons of Mass Destruction*  
 5 *Civil Support Team” means a team of members of the*  
 6 *reserve components of the armed forces that is estab-*  
 7 *lished under section 12310(c) of title 10, United*  
 8 *States Code, in support of emergency preparedness*  
 9 *programs to prepare for or to respond to any emer-*  
 10 *gency involving the use of a weapon of mass destruc-*  
 11 *tion.*

12 *(2) The term “State” includes the District of Co-*  
 13 *lumbia, Puerto Rico, the Virgin Islands, and Guam.*

14 *(d) DEADLINE FOR IMPLEMENTATION.—The Secretary*  
 15 *of Defense shall ensure that subsection (b) is fully imple-*  
 16 *mented not later than September 30, 2003.*

17 **SEC. 1552. AUTHORITY FOR JOINT TASK FORCES TO**  
 18 **PROVIDE SUPPORT TO LAW ENFORCEMENT**  
 19 **AGENCIES CONDUCTING COUNTER-TER-**  
 20 **RORISM ACTIVITIES.**

21 *(a) AUTHORITY.—A joint task force of the Department*  
 22 *of Defense that provides support to law enforcement agen-*  
 23 *cies conducting counter-drug activities may also provide,*  
 24 *consistent with all applicable laws and regulations, support*

1 *to law enforcement agencies conducting counter-terrorism*  
 2 *activities.*

3 (b) *CONDITIONS.*—*Any support provided under sub-*  
 4 *section (a) may only be provided in the geographic area*  
 5 *of responsibility of the joint task force.*

6 (c) *FUNDS.*—*Funds are hereby authorized to be appro-*  
 7 *priated for fiscal year 2003 in the amount of \$5,000,000*  
 8 *to provide support for counter-terrorism activities in ac-*  
 9 *cordance with subsections (a) and (b).*

10 **SEC. 1553. SENSE OF CONGRESS ON ASSISTANCE TO FIRST**  
 11 **RESPONDERS.**

12 *It is the sense of Congress that the Secretary of Defense*  
 13 *should, to the extent the Secretary determines appropriate,*  
 14 *use funds provided in this Act to assist, train, and equip*  
 15 *local fire and police departments that would be a first re-*  
 16 *sponder to a domestic terrorist incident that may come*  
 17 *about in connection with the continued fight to prosecute*  
 18 *the war on terrorism.*

19 **DIVISION B—MILITARY CON-**  
 20 **STRUCTION AUTHORIZA-**  
 21 **TIONS**

22 **SEC. 2001. SHORT TITLE.**

23 *This division may be cited as the “Military Construc-*  
 24 *tion Authorization Act for Fiscal Year 2003”.*

# **TITLE XXI—ARMY**

## **SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) *INSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

### **Army: Inside the United States**

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
<i>Alabama</i> .....	<i>Anniston Army Depot</i> .....	\$1,900,000
	<i>Fort Rucker</i> .....	\$3,050,000
	<i>Redstone Arsenal</i> .....	\$1,950,000
<i>Alaska</i> .....	<i>Fort Wainwright</i> .....	\$111,010,000
<i>Arizona</i> .....	<i>Fort Huachuca</i> .....	\$10,400,000
	<i>Yuma Proving Ground</i> .....	\$4,500,000
<i>Arkansas</i> .....	<i>Pine Bluff Arsenal</i> .....	\$18,937,000
<i>California</i> .....	<i>Monterey Defense Language Institute</i>	\$1,500,000
<i>Colorado</i> .....	<i>Fort Carson</i> .....	\$5,350,000
<i>District of Columbia</i> .....	<i>Walter Reed Army Medical Center</i> .....	\$9,950,000
<i>Georgia</i> .....	<i>Fort Benning</i> .....	\$74,250,000
	<i>Fort Stewart/Hunter Army Air Field</i>	\$26,000,000
	<i>Schofield Barracks</i> .....	\$191,000,000
<i>Hawaii</i> .....	<i>Fort Leavenworth</i> .....	\$3,150,000
<i>Kansas</i> .....	<i>Fort Riley</i> .....	\$51,950,000
	<i>Blue Grass Army Depot</i> .....	\$5,500,000
<i>Kentucky</i> .....	<i>Fort Campbell</i> .....	\$106,300,000
	<i>Fort Polk</i> .....	\$31,000,000
<i>Louisiana</i> .....	<i>Fort Detrick</i> .....	\$22,500,000
<i>Maryland</i> .....	<i>Natick Research Development and Engineering Center</i> .....	\$4,100,000
<i>Missouri</i> .....	<i>Fort Leonard Wood</i> .....	\$15,500,000
<i>New Jersey</i> .....	<i>Picatinny Arsenal</i> .....	\$7,500,000
<i>New York</i> .....	<i>Fort Drum</i> .....	\$18,300,000
<i>North Carolina</i> .....	<i>Fort Bragg</i> .....	\$94,900,000
<i>Pennsylvania</i> .....	<i>Letterkenny Army Depot</i> .....	\$1,550,000
<i>Texas</i> .....	<i>Fort Bliss</i> .....	\$10,200,000
	<i>Fort Hood</i> .....	\$85,000,000
	<i>Fort Lee</i> .....	\$5,200,000
<i>Virginia</i> .....	<i>Fort Lewis</i> .....	\$53,800,000
<i>Washington</i> .....	<i>Fort Lewis</i> .....	\$53,800,000
	<i>Total</i> .....	\$976,247,000

(b) *OUTSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropri-

tions in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

**Army: Outside the United States**

<b>Country</b>	<b>Installation or location</b>	<b>Amount</b>
<i>Belgium</i> .....	<i>Supreme Headquarters, Allied Powers Europe</i> .....	<i>\$13,600,000</i>
<i>Germany</i> .....	<i>Area Support Group, Bamberg</i> .....	<i>\$17,200,000</i>
	<i>Campbell Barracks</i> .....	<i>\$8,300,000</i>
	<i>Coleman Barracks</i> .....	<i>\$1,350,000</i>
	<i>Darmstadt</i> .....	<i>\$3,500,000</i>
	<i>Grafenwoehr</i> .....	<i>\$69,866,000</i>
	<i>Landstuhl</i> .....	<i>\$2,400,000</i>
	<i>Mannheim</i> .....	<i>\$42,000,000</i>
	<i>Schweinfurt</i> .....	<i>\$2,000,000</i>
<i>Italy</i> .....	<i>Vicenza</i> .....	<i>\$34,700,000</i>
<i>Korea</i> .....	<i>Camp Carroll</i> .....	<i>\$20,000,000</i>
	<i>Camp Castle</i> .....	<i>\$6,800,000</i>
	<i>Camp Hovey</i> .....	<i>\$25,000,000</i>
	<i>Camp Humphreys</i> .....	<i>\$36,000,000</i>
	<i>Camp Henry</i> .....	<i>\$10,000,000</i>
	<i>K16 Airfield</i> .....	<i>\$40,000,000</i>
	<i>Yongsan</i> .....	<i>\$12,600,000</i>
	<i>Total</i> .....	<i>\$345,316,000</i>

(c) *UNSPECIFIED WORLDWIDE*.—Using the amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(3), the Secretary of the Army may acquire real property and carry out military construction projects for the installation and location, and in the amount, set forth in the following table:

**Army: Unspecified Worldwide**

<b>Location</b>	<b>Installation</b>	<b>Amount</b>
<i>Unspecified Worldwide</i> .....	<i>Unspecified Worldwide</i> .....	<i>\$4,000,000</i>



1 **SEC. 2102. FAMILY HOUSING.**

2 (a) *CONSTRUCTION AND ACQUISITION.*—Using  
 3 amounts appropriated pursuant to the authorization of ap-  
 4 propriations in section 2104(a)(6)(A), the Secretary of the  
 5 Army may construct or acquire family housing units (in-  
 6 cluding land acquisition and supporting facilities) at the  
 7 installations, for the purposes, and in the amounts set forth  
 8 in the following table:

**Army: Family Housing**

<b>State or Country</b>	<b>Installation or loca- tion</b>	<b>Purpose</b>	<b>Amount</b>
<i>Alaska</i> .....	<i>Fort Wainwright</i> .....	<i>38 Units</i> .....	<i>\$17,752,000</i>
<i>Arizona</i> .....	<i>Yuma Proving Ground</i> ..	<i>33 Units</i> .....	<i>\$6,100,000</i>
<i>Germany</i> .....	<i>Stuttgart</i> .....	<i>1 Unit</i> .....	<i>\$990,000</i>
<i>Korea</i> .....	<i>Yongsan</i> .....	<i>10 Units</i> .....	<i>\$3,100,000</i>
	<i>Total:</i> .....		<i>\$27,942,000</i>

9 (b) *PLANNING AND DESIGN.*—Using amounts appro-  
 10 priated pursuant to the authorization of appropriations in  
 11 section 2104(a)(6)(A), the Secretary of the Army may carry  
 12 out architectural and engineering services and construction  
 13 design activities with respect to the construction or im-  
 14 provement of family housing units in an amount not to  
 15 exceed \$15,653,000.

16 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
 17 **UNITS.**

18 Subject to section 2825 of title 10, United States Code,  
 19 and using amounts appropriated pursuant to the author-  
 20 ization of appropriations in section 2104(a)(6)(A), the Sec-

1 *retary of the Army may improve existing military family*  
2 *housing units in an amount not to exceed \$234,831,000.*

3 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

4 *(a) IN GENERAL.—Funds are hereby authorized to be*  
5 *appropriated for fiscal years beginning after September 30,*  
6 *2002, for military construction, land acquisition, and mili-*  
7 *tary family housing functions of the Department of the*  
8 *Army in the total amount of \$2,935,609,000 as follows:*

9 *(1) For military construction projects inside the*  
10 *United States authorized by section 2101(a),*  
11 *\$803,247,000.*

12 *(2) For military construction projects outside the*  
13 *United States authorized by section 2101(b),*  
14 *\$345,316,000.*

15 *(3) For military construction projects at unspec-*  
16 *ified worldwide locations authorized by section*  
17 *2101(c), \$4,000,000.*

18 *(4) For unspecified minor construction projects*  
19 *authorized by section 2805 of title 10, United States*  
20 *Code, \$21,550,000.*

21 *(5) For architectural and engineering services*  
22 *and construction design under section 2807 of title*  
23 *10, United States Code, \$158,796,000.*

24 *(6) For military family housing functions:*

1           (A) *For construction and acquisition, plan-*  
2           *ning and design and improvement of military*  
3           *family housing and facilities, \$278,426,000.*

4           (B) *For support of military family housing*  
5           *(including the functions described in section*  
6           *2833 of title 10, United States Code),*  
7           *\$1,122,274,000.*

8           (7) *For the construction of phase 3 of a barracks*  
9           *complex, Butner Road, at Fort Bragg, North Caro-*  
10          *lina, authorized by section 2101(a) of the Military*  
11          *Construction Authorization Act for Fiscal Year 2001*  
12          *(division B of the Floyd D. Spence National Defense*  
13          *Authorization Act for Fiscal Year 2001, as enacted*  
14          *into law by Public Law 106–398; 114 Stat. 1654A–*  
15          *389), \$50,000,000.*

16          (8) *For the construction of phase 2 of a barracks*  
17          *complex, D Street, at Fort Richardson, Alaska, au-*  
18          *thorized by section 2101(a) of the Military Construc-*  
19          *tion Authorization Act for Fiscal Year 2002 (division*  
20          *B of Public Law 107–107; 115 Stat. 1280),*  
21          *\$21,000,000.*

22          (9) *For the construction of phase 2 of a barracks*  
23          *complex, Nelson Boulevard, at Fort Carson, Colorado,*  
24          *authorized by section 2101(a) of the Military Con-*  
25          *struction Authorization Act for Fiscal Year 2002 (di-*

1 *vision B of Public Law 107–107; 115 Stat. 1280), as*  
2 *amended by section 2105 of this Act, \$42,000,000.*

3 *(10) For the construction of phase 2 of a basic*  
4 *combat trainee complex at Fort Jackson, South Caro-*  
5 *lina, authorized by section 2101(a) of the Military*  
6 *Construction Authorization Act for Fiscal Year 2002*  
7 *(division B of Public Law 107–107; 115 Stat. 1280),*  
8 *as amended by section 2105 of this Act, \$39,000,000.*

9 *(11) For the construction of phase 2 of a bar-*  
10 *racks complex, 17th and B Streets at Fort Lewis,*  
11 *Washington, authorized by section 2101(a) of the*  
12 *Military Construction Authorization Act for Fiscal*  
13 *Year 2002 (division B of Public Law 107–107; 115*  
14 *Stat. 1280), \$50,000,000.*

15 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
16 *PROJECTS.—Notwithstanding the cost variations author-*  
17 *ized by section 2853 of title 10, United States Code, and*  
18 *any other cost variation authorized by law, the total cost*  
19 *of all projects carried out under section 2101 of this Act*  
20 *may not exceed—*

21 *(1) the total amount authorized to be appro-*  
22 *priated under paragraphs (1), (2), and (3) of sub-*  
23 *section (a);*

24 *(2) \$18,000,000 (the balance of the amount au-*  
25 *thorized under section 2101(a) for construction of a*

1        *barracks complex, Main Post, at Fort Benning, Geor-*  
2        *gia);*

3            (3) \$100,000,000 *(the balance of the amount au-*  
4        *thorized under section 2101(a) for construction of a*  
5        *barracks complex, Capron Avenue, at Schofield Bar-*  
6        *racks, Hawaii);*

7            (4) \$50,000,000 *(the balance of the amount au-*  
8        *thorized under section 2101(a) for construction of a*  
9        *barracks complex, Range Road, at Fort Campbell,*  
10       *Kentucky); and*

11           (5) \$5,000,000 *(the balance of the amount au-*  
12        *thorized under section 2101(a) for a military con-*  
13        *struction project at Fort Bliss, Texas).*

14        (c) *ADJUSTMENT.—The total amount authorized to be*  
15        *appropriated pursuant to paragraphs (1) through (11) of*  
16        *subsection (a) is the sum of the amounts authorized to be*  
17        *appropriated in such paragraphs, reduced by \$13,676,000,*  
18        *which represents the combination of savings resulting from*  
19        *adjustments to foreign currency exchange rates for military*  
20        *construction, military family housing construction, and*  
21        *military family housing support outside the United States*  
22        *and savings resulting from favorable bids, reduced overhead*  
23        *charges, and cancellations due to force structure changes.*

1 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 2 **CERTAIN FISCAL YEAR 2002 PROJECTS.**

3 (a) *MODIFICATION.*—*The table in section 2101(a) of*  
 4 *the Military Construction Authorization Act for Fiscal Year*  
 5 *2002 (division B of Public Law 107-107; 115 Stat. 1281)*  
 6 *is amended—*

7 (1) *in the item relating to Fort Carson, Colo-*  
 8 *rado, by striking “\$66,000,000” in the amount col-*  
 9 *umn and inserting “\$67,000,000”; and*

10 (2) *in the item relating to Fort Jackson, South*  
 11 *Carolina, by striking “\$65,650,000” in the amount*  
 12 *column and inserting “\$68,650,000”.*

13 (b) *CONFORMING AMENDMENTS.*—*Section 2104(b) of*  
 14 *that Act (115 Stat. 1284) is amended—*

15 (1) *in paragraph (3), by striking “\$41,000,000”*  
 16 *and inserting “\$42,000,000”; and*

17 (2) *in paragraph (4), by striking “\$36,000,000”*  
 18 *and inserting “\$39,000,000”.*

19 **TITLE XXII—NAVY**

20 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND**  
 21 **ACQUISITION PROJECTS.**

22 (a) *INSIDE THE UNITED STATES.*—*Using amounts ap-*  
 23 *propriated pursuant to the authorization of appropriations*  
 24 *in section 2204(a)(1), the Secretary of the Navy may ac-*  
 25 *quire real property and carry out military construction*

- 1 projects for the installations and locations inside the United  
 2 States, and in the amounts, set forth in the following table:

**Navy: Inside the United States**

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
<i>Arizona</i> .....	<i>Marine Corps Air Station, Yuma</i> .....	<i>\$3,000,000</i>
<i>California</i> .....	<i>Auxiliary Landing Field, San Diego</i> <i>(San Clemente Island)</i> .....	<i>\$6,150,000</i>
	<i>Marine Corps Air-Ground Combat Center,</i> <i>Twentynine Palms</i> .....	<i>\$40,870,000</i>
	<i>Marine Corps Air Station, Camp Pen-</i> <i>dleton</i> .....	<i>\$31,930,000</i>
	<i>Marine Corps Air Station, Miramar</i> .....	<i>\$12,210,000</i>
	<i>Marine Corps Base, Camp Pendleton</i> .....	<i>\$64,040,000</i>
	<i>Marine Corps Logistics Base, Barstow</i> .....	<i>\$4,450,000</i>
	<i>Naval Air Station, Lemoore</i> .....	<i>\$35,855,000</i>
	<i>Naval Air Warfare Center, Point Mugu,</i> <i>San Nicholas Island</i> .....	<i>\$6,760,000</i>
	<i>Naval Air Weapons Station, China Lake</i> .....	<i>\$10,100,000</i>
	<i>Naval Post Graduate School, Monterey</i> ....	<i>\$9,020,000</i>
	<i>Naval Station, San Diego</i> .....	<i>\$12,210,000</i>
<i>Connecticut</i> .....	<i>Naval Submarine Base, New London</i> .....	<i>\$7,880,000</i>
<i>District of Columbia</i> .....	<i>Marine Corps Barracks</i> .....	<i>\$3,700,000</i>
	<i>Naval District, Washington</i> .....	<i>\$2,690,000</i>
<i>Florida</i> .....	<i>Naval Air Base, Jacksonville</i> .....	<i>\$13,342,000</i>
	<i>Naval Air Station, Pensacola</i> .....	<i>\$990,000</i>
	<i>Naval School Explosive Ordinance De-</i> <i>tachment, Eglin</i> .....	<i>\$6,350,000</i>
	<i>Naval Station, Mayport</i> .....	<i>\$1,900,000</i>
	<i>Whiting Field</i> .....	<i>\$1,780,000</i>
<i>Georgia</i> .....	<i>Naval Submarine Base, Kings Bay</i> .....	<i>\$1,580,000</i>
<i>Hawaii</i> .....	<i>Naval Shipyard, Pearl Harbor</i> .....	<i>\$18,500,000</i>
	<i>Naval Station, Pearl Harbor</i> .....	<i>\$14,690,000</i>
<i>Illinois</i> .....	<i>Naval Training Center, Great Lakes</i> .....	<i>\$93,190,000</i>
<i>Indiana</i> .....	<i>Crane Naval Surface Weapons Station</i> ....	<i>\$11,610,000</i>
<i>Maine</i> .....	<i>Naval Shipyard, Kittery-Portsmouth</i> .....	<i>\$15,200,000</i>
<i>Maryland</i> .....	<i>Naval Air Facility, Andrews Air Force</i> <i>Base</i> .....	<i>\$9,680,000</i>
	<i>United States Naval Academy</i> .....	<i>\$1,800,000</i>
<i>Mississippi</i> .....	<i>Naval Air Station, Meridian</i> .....	<i>\$2,850,000</i>
	<i>Naval Construction Battalion Center,</i> <i>Gulfport</i> .....	<i>\$5,460,000</i>
	<i>Naval Station, Pascagoula</i> .....	<i>\$16,160,000</i>
<i>Nevada</i> .....	<i>Naval Air Station, Fallon</i> .....	<i>\$4,010,000</i>
<i>New Jersey</i> .....	<i>Naval Weapons Center, Lakehurst</i> .....	<i>\$5,200,000</i>
	<i>Naval Weapons Station Earle, Colts Neck</i> .....	<i>\$5,600,000</i>
<i>North Carolina</i> .....	<i>Marine Corps Air Station, Cherry Point</i> .....	<i>\$10,470,000</i>
	<i>Marine Corps Air Station, New River</i> .....	<i>\$6,920,000</i>
	<i>Marine Corps Base, Camp Lejeune</i> .....	<i>\$9,570,000</i>
<i>Rhode Island</i> .....	<i>Naval Station, Newport</i> .....	<i>\$6,870,000</i>
<i>South Carolina</i> .....	<i>Marine Corps Air Station, Beaufort</i> .....	<i>\$13,700,000</i>
	<i>Marine Corps Recruit Depot, Parris Is-</i> <i>land</i> .....	<i>\$10,490,000</i>
	<i>Naval Weapons Station, Charlestown</i> .....	<i>\$5,740,000</i>
<i>Texas</i> .....	<i>Naval Air Station, Corpus Christi</i> .....	<i>\$7,150,000</i>
	<i>Naval Air Station Joint Reserve Base,</i> <i>Fort Worth</i> .....	<i>\$8,850,000</i>
	<i>Naval Air Station, Kingsville</i> .....	<i>\$6,210,000</i>
<i>Virginia</i> .....	<i>Dam Neck Fleet Combat Training Center,</i> <i>Atlantic</i> .....	<i>\$3,900,000</i>
	<i>Little Creek Naval Amphibious Base</i> .....	<i>\$9,770,000</i>
	<i>Marine Corps Combat Development Com-</i> <i>mand, Quantico</i> .....	<i>\$24,864,000</i>

***Navy: Inside the United States—Continued***

<b><i>State</i></b>	<b><i>Installation or location</i></b>	<b><i>Amount</i></b>
<i>Washington</i> .....	<i>Naval Air Station Oceana</i> .....	\$16,490,000
	<i>Naval Shipyard, Norfolk, Portsmouth</i> .....	\$19,660,000
	<i>Naval Station, Norfolk</i> .....	\$171,505,000
	<i>Naval Surface Warfare Center, Dahlgren</i> .....	\$15,830,000
	<i>Naval Weapons Station, Yorktown</i> .....	\$15,020,000
	<i>Naval Air Station, Whidbey Island</i> .....	\$17,580,000
	<i>Keyport Naval Undersea Warfare Command</i> .....	\$10,500,000
	<i>Naval Magazine, Indian Island</i> .....	\$4,030,000
	<i>Naval Station, Bremerton</i> .....	\$45,870,000
	<i>Naval Submarine Base, Bangor</i> .....	\$22,310,000
	<i>Puget Sound Naval Shipyard, Bremerton</i> .....	\$57,132,000
<i>Various Locations</i> .....	<i>Strategic Weapons Facility, Bangor</i> .....	\$7,340,000
	<i>Host Nation Infrastructure</i> .....	\$1,000,000
	<i>Total</i> .....	\$1,009,528,000

1        *(b) OUTSIDE THE UNITED STATES.—Using amounts*  
2 *appropriated pursuant to the authorization of appropria-*  
3 *tions in section 2204(a)(2), the Secretary of the Navy may*  
4 *acquire real property and carry out military construction*  
5 *projects for the locations outside the United States, and in*  
6 *the amounts, set forth in the following table:*

***Navy: Outside the United States***

<b><i>Country</i></b>	<b><i>Installation or location</i></b>	<b><i>Amount</i></b>
<i>Bahrain</i> .....	<i>Naval Support Activity, Bahrain</i> .....	\$25,970,000
<i>Diego Garcia</i> .....	<i>Diego Garcia, Naval Support Facility</i> .....	\$11,090,000
<i>Greece</i> .....	<i>Naval Support Activity, Joint Headquarters Command, Larissa</i> .....	\$14,800,000
<i>Guam</i> .....	<i>Commander, United States Naval Forces, Guam</i> .....	\$13,400,000
<i>Iceland</i> .....	<i>Naval Air Station, Keflavik</i> .....	\$14,920,000
<i>Italy</i> .....	<i>Naval Air Station, Sigonella</i> .....	\$55,660,000
	<i>Total</i> .....	\$135,840,000

7 ***SEC. 2202. FAMILY HOUSING.***

8        *(a) CONSTRUCTION AND ACQUISITION.—Using*  
9 *amounts appropriated pursuant to the authorization of ap-*  
10 *propriations in section 2204(a)(5)(A), the Secretary of the*  
11 *Navy may construct or acquire family housing units (in-*



cluding land acquisition and supporting facilities) at the installations, for the purposes, and in the amounts set forth in the following table:

**Navy: Family Housing**

<b>State or Country</b>	<b>Installation or location</b>	<b>Purpose</b>	<b>Amount</b>
California .....	Naval Air Station, Lemoore .....	178 Units .....	\$40,981,000
	Marine Corps Air- Ground Combat Cen- ter, Twentynine Palms	76 Units .....	\$19,425,000
Connecticut .....	Naval Submarine Base, New London .....	100 Units .....	\$24,415,000
Florida .....	Naval Station, Mayport	1 Unit .....	\$329,000
Hawaii .....	Marine Corps Base, Kaneohe Bay .....	65 Units .....	\$24,797,000
Maine .....	Naval Air Station, Brunswick .....	26 Units .....	\$5,800,000
Mississippi .....	Naval Air Station, Me- ridian .....	56 Units .....	\$9,755,000
North Carolina .....	Marine Corps Base, Camp LeJeune .....	317 Units .....	\$43,650,000
Virginia .....	Marine Corps Base, Quantico .....	290 Units .....	\$41,843,000
United Kingdom .....	Joint Maritime Facility, St. Mawgan .....	62 Units .....	\$18,524,000
		Total .....	\$229,519,000

(b) *PLANNING AND DESIGN.*—Using amounts appropriated pursuant to the authorization of appropriation in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed \$11,281,000.

**SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Sec-

1 *retary of the Navy may improve existing military family*  
2 *housing units in an amount not to exceed \$136,816,000.*

3 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

4 *(a) IN GENERAL.—Funds are hereby authorized to be*  
5 *appropriated for fiscal years beginning after September 30,*  
6 *2002, for military construction, land acquisition, and mili-*  
7 *tary family housing functions of the Department of the*  
8 *Navy in the total amount of \$2,308,007,000, as follows:*

9 *(1) For military construction projects inside the*  
10 *United States authorized by section 2201(a),*  
11 *\$776,806,000.*

12 *(2) For military construction projects outside the*  
13 *United States authorized by section 2201(b),*  
14 *\$133,270,000.*

15 *(3) For unspecified minor construction projects*  
16 *authorized by section 2805 of title 10, United States*  
17 *Code, \$23,262,000.*

18 *(4) For architectural and engineering services*  
19 *and construction design under section 2807 of title*  
20 *10, United States Code, \$95,745,000.*

21 *(5) For military family housing functions:*

22 *(A) For construction and acquisition, plan-*  
23 *ning and design, and improvement of military*  
24 *family housing and facilities, \$377,616,000.*

1                   (B) *For support of military family housing*  
2                   *(including functions described in section 2833 of*  
3                   *title 10, United States Code), \$867,788,000.*

4                   (6) *For replacement of a pier at Naval Station,*  
5                   *Norfolk, Virginia, authorized in section 2201(a) of the*  
6                   *Military Construction Authorization Act for Fiscal*  
7                   *Year 2002 (division B of Public Law 107–107; 115*  
8                   *Stat. 1287), as amended by section 2205 of this Act,*  
9                   *\$33,520,000.*

10               (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*  
11 *PROJECTS.—Notwithstanding the cost variations author-*  
12 *ized by section 2853 of title 10, United States Code, and*  
13 *any other cost variation authorized by law, the total cost*  
14 *of all projects carried out under section 2201 of this Act*  
15 *may not exceed—*

16                   (1) *the total amount authorized to be appro-*  
17                   *priated under paragraphs (1) and (2) of subsection*  
18                   *(a);*

19                   (2) *\$48,120,000 (the balance of the amount au-*  
20                   *thorized under section 2201(a) for a bachelors enlisted*  
21                   *quarters shipboard ashore, Naval Station, Norfolk,*  
22                   *Virginia); and*

23                   (3) *\$2,570,000 (the balance of the amount au-*  
24                   *thorized under section 2201(b) for a quality of life*  
25                   *support facility, Naval Air Station Sigonella, Italy).*

1       (c) *ADJUSTMENT.*—*The total amount authorized to be*  
 2 *appropriated pursuant to paragraphs (1) through (6) of*  
 3 *subsection (a) is the sum of the amounts authorized to be*  
 4 *appropriated in such paragraphs, reduced by \$1,340,000,*  
 5 *which represents the combination of savings resulting from*  
 6 *adjustments to foreign currency exchange rates for military*  
 7 *construction, military family housing construction, and*  
 8 *military family housing support outside the United States*  
 9 *and savings resulting from favorable bids, reduced overhead*  
 10 *charges, and cancellations due to force structure changes.*

11 **SEC. 2205. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 12 **CERTAIN FISCAL YEAR 2002 PROJECT.**

13       (a) *MODIFICATION.*—*The table in section 2201(a) of*  
 14 *the Military Construction Authorization Act for Fiscal Year*  
 15 *2002 (division B of Public Law 107–107; 115 Stat. 1286)*  
 16 *is amended—*

17               (1) *in the item relating to Naval Station, Nor-*  
 18 *folk, Virginia, by striking “\$139,270,000” in the*  
 19 *amount column and inserting “\$139,550,000”; and*

20               (2) *by striking the amount identified as the total*  
 21 *in the amount column and inserting*  
 22 *“\$1,059,030,000”.*

23       (b) *CONFORMING AMENDMENT.*—*Section 2204(b)(2) of*  
 24 *that Act (115 Stat. 1289) is amended by striking*  
 25 *“\$33,240,000” and inserting “\$33,520,000”.*

# **TITLE XXIII—AIR FORCE**

## **SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.**

(a) *INSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

### ***Air Force: Inside the United States***

<b>State</b>	<b>Installation or location</b>	<b>Amount</b>
Alabama .....	Maxwell Air Force Base .....	\$8,000,000
Alaska .....	Clear Air Station .....	\$14,400,000
	Eielson Air Force Base .....	\$21,600,000
Arizona .....	Davis-Monthan Air Force Base .....	\$19,270,000
	Luke Air Force Base .....	\$13,000,000
Arkansas .....	Little Rock Air Force Base .....	\$25,600,000
California .....	Beale Air Force Base .....	\$11,740,000
	Travis Air Force Base .....	\$9,600,000
	Vandenberg Air Force Base .....	\$10,500,000
Colorado .....	Buckley Air National Guard Base .....	\$17,700,000
	Peterson Air Force Base .....	\$2,000,000
	Schriever Air Force Base .....	\$5,700,000
	United States Air Force Academy .....	\$9,400,000
District of Columbia .....	Bolling Air Force Base .....	\$1,500,000
Florida .....	Elgin Air Force Base .....	\$4,250,000
	Hurlburt Field .....	\$15,000,000
	McDill Air Force Base .....	\$21,000,000
	Tyndall Air Force Base .....	\$8,100,000
Georgia .....	Robins Air Force Base .....	\$5,400,000
Hawaii .....	Hickam Air Force Base .....	\$1,350,000
Kansas .....	McConnell Air Force Base .....	\$7,500,000
Louisiana .....	Barksdale Air Force Base .....	\$10,900,000
Maryland .....	Andrews Air Force Base .....	\$9,600,000
Massachusetts .....	Hanscom Air Force Base .....	\$7,700,000
Mississippi .....	Keesler Air Force Base .....	\$22,000,000
Nevada .....	Nellis Air Force Base .....	\$37,350,000
New Jersey .....	McGuire Air Force Base .....	\$24,631,000
New Mexico .....	Cannon Air Force Base .....	\$4,650,000
	Holloman Air Force Base .....	\$4,650,000
	Kirtland Air Force Base .....	\$21,900,000
North Carolina .....	Pope Air Force Base .....	\$9,700,000
Ohio .....	Wright-Patterson Air Force Base .....	\$25,000,000
Oklahoma .....	Tinker Air Force Base .....	\$7,500,000
South Carolina .....	Shaw Air Force Base .....	\$6,800,000
Texas .....	Lackland Air Force Base .....	\$37,300,000
	Laughlin Air Force Base .....	\$8,000,000
	Sheppard Air Force Base .....	\$24,000,000
Utah .....	Hill Air Force Base .....	\$14,500,000

***Air Force: Inside the United States—Continued***

<b><i>State</i></b>	<b><i>Installation or location</i></b>	<b><i>Amount</i></b>
<i>Virginia .....</i>	<i>Langley Air Force Base .....</i>	<i>\$71,940,000</i>
	<i>Total .....</i>	<i>\$580,731,000</i>

1       (b) *OUTSIDE THE UNITED STATES.*—Using amounts  
2       appropriated pursuant to the authorization of appropria-  
3       tions in section 2304(a)(2), the Secretary of the Air Force  
4       may acquire real property and carry out military construc-  
5       tion projects for the installations and locations outside the  
6       United States, and in the amounts, set forth in the following  
7       table:

***Air Force: Outside the United States***

<b><i>Country</i></b>	<b><i>Installation or location</i></b>	<b><i>Amount</i></b>
<i>Diego Garcia .....</i>	<i>Diego Garcia .....</i>	<i>\$17,100,000</i>
<i>Germany .....</i>	<i>Ramstein Air Force Base .....</i>	<i>\$71,783,000</i>
<i>Guam .....</i>	<i>Andersen Air Force Base .....</i>	<i>\$31,000,000</i>
<i>Italy .....</i>	<i>Aviano Air Force Base .....</i>	<i>\$6,600,000</i>
<i>Japan .....</i>	<i>Kadena Air Force Base .....</i>	<i>\$6,000,000</i>
<i>Korea .....</i>	<i>Osan Air Base .....</i>	<i>\$15,100,000</i>
<i>Spain .....</i>	<i>Naval Station, Rota .....</i>	<i>\$31,818,000</i>
<i>Turkey .....</i>	<i>Incirlik Air Force Base .....</i>	<i>\$1,550,000</i>
<i>United Kingdom .....</i>	<i>Royal Air Force, Fairford .....</i>	<i>\$19,000,000</i>
	<i>Royal Air Force, Lakenheath .....</i>	<i>\$13,400,000</i>
<i>Wake Island .....</i>	<i>Wake Island .....</i>	<i>\$24,900,000</i>
	<i>Total .....</i>	<i>\$238,251,000</i>

8       (c) *UNSPECIFIED WORLDWIDE.*—Using the amounts  
9       appropriated pursuant to the authorization of appropria-  
10      tions in section 2304(a)(3), the Secretary of the Air Force  
11      may acquire real property and carry out military construc-  
12      tion projects for the installation and location, and in the  
13      amount, set forth in the following table:

***Air Force: Unspecified Worldwide***

<b><i>Location</i></b>	<b><i>Installation</i></b>	<b><i>Amount</i></b>
<i>Unspecified Worldwide .....</i>	<i>Classified Location .....</i>	<i>\$32,562,000</i>

**Air Force: Unspecified Worldwide—Continued**

<b>Location</b>	<b>Installation</b>	<b>Amount</b>
	<i>Total .....</i>	\$32,562,000

**1 SEC. 2302. FAMILY HOUSING.**

2       (a) CONSTRUCTION AND ACQUISITION.—Using  
3 amounts appropriated pursuant to the authorization of ap-  
4 propriations in section 2304(a)(6)(A), the Secretary of the  
5 Air Force may construct or acquire family housing units  
6 (including land acquisition and supporting facilities) at  
7 the installations, for the purposes, and in the amounts set  
8 forth in the following table:

**Air Force: Family Housing**

<b>State or Country</b>	<b>Installation or loca- tion</b>	<b>Purpose</b>	<b>Amount</b>
<i>Arizona .....</i>	<i>Luke Air Force Base .....</i>	<i>140 Units .....</i>	<i>\$18,954,000</i>
<i>California .....</i>	<i>Travis Air Force Base ...</i>	<i>110 Units .....</i>	<i>\$24,320,000</i>
<i>Colorado .....</i>	<i>Peterson Air Force Base</i>	<i>2 Units .....</i>	<i>\$959,000</i>
	<i>United States Air Force</i>		
	<i>Academy .....</i>	<i>71 Units .....</i>	<i>\$12,424,000</i>
<i>Delaware .....</i>	<i>Dover Air Force Base ...</i>	<i>112 Units .....</i>	<i>\$19,615,000</i>
<i>Florida .....</i>	<i>Eglin Air Force Base ...</i>	<i>Housing Office</i>	<i>\$597,000</i>
	<i>Eglin Air Force Base ...</i>	<i>134 Units .....</i>	<i>\$15,906,000</i>
	<i>MacDill Air Force Base</i>	<i>96 Units .....</i>	<i>\$18,086,000</i>
<i>Hawaii .....</i>	<i>Hickam Air Force Base</i>	<i>96 Units .....</i>	<i>\$29,050,000</i>
<i>Idaho .....</i>	<i>Mountain Home Air</i>		
	<i>Force Base .....</i>	<i>95 Units .....</i>	<i>\$24,392,000</i>
<i>Kansas .....</i>	<i>McConnell Air Force</i>		
	<i>Base .....</i>	<i>Housing Main- tenance Fa- cility .....</i>	<i>\$1,514,000</i>
<i>Maryland .....</i>	<i>Andrews Air Force Base</i>	<i>53 Units .....</i>	<i>\$9,838,000</i>
	<i>Andrews Air Force Base</i>	<i>52 Units .....</i>	<i>\$8,807,000</i>
<i>Mississippi .....</i>	<i>Columbus Air Force</i>		
	<i>Base .....</i>	<i>Housing Office</i>	<i>\$412,000</i>
	<i>Keesler Air Force Base ..</i>	<i>117 Units .....</i>	<i>\$16,505,000</i>
<i>Missouri .....</i>	<i>Whiteman Air Force</i>		
	<i>Base .....</i>	<i>97 Units .....</i>	<i>\$17,107,000</i>
<i>Montana .....</i>	<i>Malmstrom Air Force</i>		
	<i>Base .....</i>	<i>18 Units .....</i>	<i>\$4,717,000</i>
<i>New Mexico .....</i>	<i>Holloman Air Force</i>		
	<i>Base .....</i>	<i>101 Units .....</i>	<i>\$20,161,000</i>
<i>North Carolina .....</i>	<i>Pope Air Force Base .....</i>	<i>Housing Main- tenance Fa- cility .....</i>	<i>\$991,000</i>
	<i>Seymour Johnson Air</i>		
	<i>Force Base .....</i>	<i>126 Units .....</i>	<i>\$18,615,000</i>
<i>North Dakota .....</i>	<i>Grand Forks Air Force</i>		
	<i>Base .....</i>	<i>150 Units .....</i>	<i>\$30,140,000</i>
	<i>Minot Air Force Base ....</i>	<i>112 Units .....</i>	<i>\$21,428,000</i>

***Air Force: Family Housing—Continued***

<b><i>State or Country</i></b>	<b><i>Installation or location</i></b>	<b><i>Purpose</i></b>	<b><i>Amount</i></b>
<i>Oklahoma .....</i>	<i>Minot Air Force Base ....</i>	<i>102 Units .....</i>	<i>\$20,315,000</i>
	<i>Vance Air Force Base ....</i>	<i>59 Units .....</i>	<i>\$11,423,000</i>
	<i>South Dakota .....</i>	<i>Ellsworth Air Force</i>	
	<i>Base .....</i>	<i>Housing Main-</i> <i>tenance Fa-</i> <i>cility .....</i>	<i>\$447,000</i>
<i>Texas .....</i>	<i>Ellsworth Air Force</i>		
	<i>Base .....</i>	<i>22 Units .....</i>	<i>\$4,794,000</i>
	<i>Dyess Air Force Base ....</i>	<i>85 Units .....</i>	<i>\$14,824,000</i>
	<i>Randolph Air Force</i>		
	<i>Base .....</i>	<i>Housing Main-</i> <i>tenance Fa-</i> <i>cility .....</i>	<i>\$447,000</i>
<i>Virginia .....</i>	<i>Randolph Air Force</i>		
	<i>Base .....</i>	<i>112 Units .....</i>	<i>\$14,311,000</i>
<i>Germany .....</i>	<i>Langley Air Force Base</i>	<i>Housing Office</i>	<i>\$1,193,000</i>
	<i>Ramstein Air Force</i>		
<i>Korea .....</i>	<i>Base .....</i>	<i>19 Units .....</i>	<i>\$8,534,000</i>
	<i>Osan Air Base .....</i>	<i>113 Units .....</i>	<i>\$35,705,000</i>
	<i>Osan Air Base .....</i>	<i>Housing Supply</i> <i>Warehouse ....</i>	<i>\$834,000</i>
<i>United Kingdom .....</i>	<i>Royal Air Force,</i> <i>Lakenheath .....</i>	<i>Housing Office</i> <i>and Mainte-</i> <i>nance Facil-</i> <i>ity .....</i>	<i>\$2,203,000</i>
	<i>Total .....</i>		<i>\$429,568,000</i>

1       (b) *PLANNING AND DESIGN.*—Using amounts appro-  
2       priated pursuant to the authorization of appropriations in  
3       section 2304(a)(6)(A), the Secretary of the Air Force may  
4       carry out architectural and engineering services and con-  
5       struction design activities with respect to the construction  
6       or improvement of military family housing units in an  
7       amount not to exceed \$34,188,000.

8       **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**  
9       **UNITS.**

10       Subject to section 2825 of title 10, United States Code,  
11       and using amounts appropriated pursuant to the author-  
12       ization of appropriations in section 2304(a)(6)(A), the Sec-



1 *retary of the Air Force may improve existing military fam-*  
 2 *ily housing units in an amount not to exceed \$217,286,000.*

3 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**  
 4 **FORCE.**

5 *(a) IN GENERAL.—Funds are hereby authorized to be*  
 6 *appropriated for fiscal years beginning after September 30,*  
 7 *2002, for military construction, land acquisition, and mili-*  
 8 *tary family housing functions of the Department of the Air*  
 9 *Force in the total amount of \$2,495,094,000, as follows:*

10 *(1) For military construction projects inside the*  
 11 *United States authorized by section 2301(a),*  
 12 *\$580,731,000.*

13 *(2) For military construction projects outside the*  
 14 *United States authorized by section 2301(b),*  
 15 *\$238,251,000.*

16 *(3) For the military construction projects at un-*  
 17 *specified worldwide locations authorized by section*  
 18 *2301(c), \$32,562,000.*

19 *(4) For unspecified minor construction projects*  
 20 *authorized by section 2805 of title 10, United States*  
 21 *Code, \$11,500,000.*

22 *(5) For architectural and engineering services*  
 23 *and construction design under section 2807 of title*  
 24 *10, United States Code, \$76,958,000.*

25 *(6) For military housing functions:*

1                   (A) *For construction and acquisition, plan-*  
2                   *ning and design, and improvement of military*  
3                   *family housing and facilities, \$681,042,000.*

4                   (B) *For support of military family housing*  
5                   *(including functions described in section 2833 of*  
6                   *title 10, United States Code), \$874,050,000.*

7           (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*  
8   *PROJECTS.—Notwithstanding the cost variations author-*  
9   *ized by section 2853 of title 10, United States Code, and*  
10 *any other cost variation authorized by law, the total cost*  
11 *of all projects carried out under section 2301 of this Act*  
12 *may not exceed the total amount authorized to be appro-*  
13 *priated under paragraphs (1), (2) and (3) of subsection (a).*

14           (c) *ADJUSTMENT.—The total amount authorized to be*  
15 *appropriated pursuant to paragraphs (1) through (6) of*  
16 *subsection (a) is the sum of the amounts authorized to be*  
17 *appropriated in such paragraphs, reduced by \$10,281,000,*  
18 *which represents the combination of savings resulting from*  
19 *adjustments to foreign currency exchange rates for military*  
20 *construction, military family housing construction, and*  
21 *military family housing support outside the United States*  
22 *and savings resulting from favorable bids, reduced overhead*  
23 *charges, and cancellations due to force structure changes.*

# TITLE XXIV—DEFENSE AGENCIES

## SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) *INSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

***Defense Agencies: Inside the United States***

<b>Agency</b>	<b>Installation or location</b>	<b>Amount</b>
Missile Defense Agency .....	Kauai, Hawaii .....	\$23,400,000
Defense Intelligence Agency .....	Bolling Air Force Base, District of Columbia .....	\$121,958,000
Defense Logistics Agency .....	Columbus, Ohio .....	\$5,021,000
	Defense Supply Center, Richmond, Virginia .....	\$5,500,000
	Naval Air Station, New Orleans, Louisiana .....	\$9,500,000
	Travis Air Force Base, California .....	\$16,000,000
Defense Threat Reduction Agency .....	Fort Belvoir, Virginia .....	\$76,388,000
Department of Defense Dependents Schools .....	Fort Bragg, North Carolina .....	\$2,036,000
	Fort Jackson, South Carolina .....	\$2,506,000
	Marine Corps Base, Camp Lejeune, North Carolina .....	\$12,138,000
	Marine Corps Base, Quantico, Virginia .....	\$1,418,000
	United States Military Academy, West Point, New York .....	\$4,347,000
	Fort Meade, Maryland .....	\$4,484,000
Joint Chiefs of Staff .....	Peterson Air Force Base, Colorado .....	\$18,400,000
National Security Agency .....	Fort Bragg, North Carolina .....	\$30,800,000
Special Operations Command	Hurlburt Field, Florida .....	\$11,100,000
	Naval Amphibious Base, Little Creek, Virginia .....	\$14,300,000
TRICARE Management Activity .....	Elmendorf Air Force Base, Alaska .....	\$10,400,000
	Hickam Air Force Base, Hawaii .....	\$2,700,000
	<b>Total .....</b>	<b>\$372,396,000</b>

(b) *OUTSIDE THE UNITED STATES.*—Using amounts appropriated pursuant to the authorization of appropri-

tions in section 2404(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

***Defense Agencies: Outside the United States***

<b>Agency</b>	<b>Installation or location</b>	<b>Amount</b>
<i>Defense Logistics Agency .....</i>	<i>Andersen Air Force Base, Guam .....</i>	<i>\$17,586,000</i>
	<i>Naval Forces Marianas Islands, Guam .....</i>	<i>\$6,000,000</i>
	<i>Naval Station, Rota, Spain .....</i>	<i>\$23,400,000</i>
	<i>Royal Air Force, Fairford, United Kingdom .....</i>	<i>\$17,000,000</i>
	<i>Yokota Air Base, Japan .....</i>	<i>\$23,000,000</i>
<i>Department of Defense Dependents Schools .....</i>	<i>Kaiserslautern, Germany .....</i>	<i>\$957,000</i>
	<i>Lajes Field, Azores, Portugal .....</i>	<i>\$1,192,000</i>
	<i>Seoul, Korea .....</i>	<i>\$31,683,000</i>
	<i>Supreme Headquarters, Allied Powers Europe, Belgium .....</i>	<i>\$1,573,000</i>
	<i>Spangdahlem Air Base, Germany .....</i>	<i>\$997,000</i>
	<i>Vicenza, Italy .....</i>	<i>\$2,117,000</i>
<i>TRICARE Management Activity .....</i>	<i>Naval Support Activity, Naples, Italy</i>	<i>\$41,449,000</i>
	<i>Spangdahlem Air Base, Germany .....</i>	<i>\$39,629,000</i>
	<i>Total .....</i>	<i>\$206,583,000</i>

**SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.**

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(8)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed \$5,530,000.

**SEC. 2403. ENERGY CONSERVATION PROJECTS.**

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(4), the Secretary of Defense may carry out energy conservation

1 *projects under section 2865 of title 10, United States Code,*  
2 *in the amount of \$49,531,000.*

3 **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**  
4 **AGENCIES.**

5 *(a) IN GENERAL.—Funds are hereby authorized to be*  
6 *appropriated for fiscal years beginning after September 30,*  
7 *2002, for military construction, land acquisition, and mili-*  
8 *tary family housing functions of the Department of Defense*  
9 *(other than the military departments) in the total amount*  
10 *of \$1,417,779,000, as follows:*

11 *(1) For military construction projects inside the*  
12 *United States authorized by section 2401(a),*  
13 *\$335,796,000.*

14 *(2) For military construction projects outside the*  
15 *United States authorized by section 2401(b),*  
16 *\$206,583,000.*

17 *(3) For unspecified minor construction projects*  
18 *under section 2805 of title 10, United States Code,*  
19 *\$16,293,000.*

20 *(4) For contingency construction projects of the*  
21 *Secretary of Defense under section 2804 of title 10,*  
22 *United States Code, \$10,000,000.*

23 *(5) For architectural and engineering services*  
24 *and construction design under section 2807 of title*  
25 *10, United States Code, \$45,432,000.*

1           (6) *For energy conservation projects authorized*  
2           *by section 2403 of this Act, \$49,531,000.*

3           (7) *For base closure and realignment activities*  
4           *as authorized by the Defense Base Closure and Re-*  
5           *alignment Act of 1990 (part A of title XXIX of Public*  
6           *Law 101–510; 10 U.S.C. 2687 note), \$545,138,000.*

7           (8) *For military family housing functions:*

8                 (A) *For improvement of military family*  
9                 *housing and facilities, \$5,480,000.*

10                (B) *For support of military family housing*  
11                *(including functions described in section 2833 of*  
12                *title 10, United States Code), \$42,432,000.*

13                (C) *For credit to the Department of Defense*  
14                *Housing Improvement Fund established by sec-*  
15                *tion 2883(a) of title 10, United States Code, as*  
16                *amended by section 2801 of this Act, \$2,000,000.*

17           (9) *For payment of a claim against the Hospital*  
18           *Replacement project at Elmendorf Air Force Base,*  
19           *Alaska, \$10,400,000.*

20           (10) *For the construction of phase 4 of an am-*  
21           *munition demilitarization facility at Pueblo Chem-*  
22           *ical Activity, Colorado, authorized by section 2401(a)*  
23           *of the Military Construction Authorization Act for*  
24           *Fiscal Year 1997 (division B of Public Law 104–201;*  
25           *110 Stat. 2775), as amended by section 2406 of the*

1     *Military Construction Authorization Act for Fiscal*  
2     *Year 2000 (division B of Public Law 106–65; 113*  
3     *Stat. 839) and section 2407 of this Act, \$38,000,000.*

4             *(11) For the construction of phase 5 of an am-*  
5     *munition demilitarization facility at Newport Army*  
6     *Depot, Indiana, authorized by section 2401(a) of the*  
7     *Military Construction Authorization Act for Fiscal*  
8     *Year 1999 (division B of Public Law 105–261; 112*  
9     *Stat. 2193), as amended by section 2406 of this Act,*  
10    *\$61,494,000.*

11            *(12) For the construction of phase 5 of an am-*  
12    *munition demilitarization facility at Aberdeen Prov-*  
13    *ing Ground, Maryland, authorized by section 2401(a)*  
14    *of the Military Construction Authorization Act for*  
15    *Fiscal Year 1999 (division B of Public Law 105–261;*  
16    *112 Stat. 2193), as amended by section 2406 of the*  
17    *Military Construction Authorization Act for Fiscal*  
18    *Year 2002 (division B of Public Law 107–107; 115*  
19    *Stat. 1299), \$30,600,000.*

20            *(13) For the construction of phase 3 of an am-*  
21    *munition demilitarization facility at Blue Grass*  
22    *Army Depot, Kentucky, authorized by section 2401(a)*  
23    *of the Military Construction Authorization Act for*  
24    *Fiscal Year 2000 (division B of Public Law 106–65;*  
25    *113 Stat. 835), as amended by section 2405 of the*

1       *Military Construction Authorization Act for Fiscal*  
2       *Year 2002 (division B of Public Law 107–107; 115*  
3       *Stat. 1298) and section 2405 of this Act, \$10,300,000.*

4               *(14) For the construction of phase 3 of an am-*  
5       *munition demilitarization support facility at Blue*  
6       *Grass Army Depot, Kentucky, authorized by section*  
7       *2401(a) of the Military Construction Authorization*  
8       *Act for Fiscal Year 2000 (division B of Public Law*  
9       *106–65; 113 Stat. 835), \$8,300,000.*

10       *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*  
11       *PROJECTS.—Notwithstanding the cost variations author-*  
12       *ized by section 2853 of title 10, United States Code, and*  
13       *any other cost variation authorized by law, the total cost*  
14       *of all projects carried out under section 2401 of this Act*  
15       *may not exceed—*

16               *(1) the total amount authorized to be appro-*  
17       *priated under paragraphs (1) and (2) of subsection*  
18       *(a); and*

19               *(2) \$26,200,000 (the balance of the amount au-*  
20       *thorized under section 2401(a) for the construction of*  
21       *the Defense Threat Reduction Center, Fort Belvoir,*  
22       *Virginia).*

23       *(c) ADJUSTMENT.—The total amount authorized to be*  
24       *appropriated pursuant to paragraphs (1) through (14) of*  
25       *subsection (a) is the sum of the amounts authorized to be*



1 appropriated in such paragraphs, reduced by \$42,833,000,  
 2 which represents the combination of savings resulting from  
 3 adjustments to foreign currency exchange rates for military  
 4 construction, military family housing construction, and  
 5 military family housing support outside the United States  
 6 and savings resulting from favorable bids, reduced overhead  
 7 charges, and cancellations due to force structure changes.

8 **SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 9 **CERTAIN FISCAL YEAR 2000 PROJECT.**

10 (a) *MODIFICATION.*—The table in section 2401(a) of  
 11 the Military Construction Authorization Act for Fiscal Year  
 12 2000 (division B of Public Law 106–65; 113 Stat. 835),  
 13 as amended by section 2405 of the Military Construction  
 14 Authorization Act for Fiscal Year 2002 (division B of Pub-  
 15 lic Law 107–107; 115 Stat. 1298), is further amended—

16 (1) under the agency heading relating to Chem-  
 17 ical Demilitarization, in the item relating to Blue  
 18 Grass Army Depot, Kentucky, by striking  
 19 “\$254,030,000” in the amount column and inserting  
 20 “\$290,325,000”; and

21 (2) by striking the amount identified as the total  
 22 in the amount column and inserting “\$748,245,000”.

23 (b) *CONFORMING AMENDMENT.*—Section 2405(b)(3) of  
 24 that Act (113 Stat. 839), as so amended, is further amended  
 25 by striking “\$231,230,000” and inserting “\$267,525,000”.

1 **SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT**  
2 **CERTAIN FISCAL YEAR 1999 PROJECT.**

3 (a) *MODIFICATION.*—The table in section 2401(a) of  
4 the Military Construction Authorization Act for Fiscal Year  
5 1999 (division B of Public Law 105–261; 112 Stat. 2193),  
6 as amended by section 2406 of the Military Construction  
7 Authorization Act for Fiscal Year 2002 (division B of Pub-  
8 lic Law 107–107; 115 Stat. 1299), is amended—

9 (1) under the agency heading relating to Chem-  
10 ical Demilitarization, in the item relating to Newport  
11 Army Depot, Indiana, by striking “\$191,550,000” in  
12 the amount column and inserting “\$293,853,000”;  
13 and

14 (2) by striking the amount identified as the total  
15 in the amount column and inserting “\$829,919,000”.

16 (b) *CONFORMING AMENDMENT.*—Section 2404(b)(2) of  
17 that Act (112 Stat. 2196) is amended by striking  
18 “\$162,050,000” and inserting “\$264,353,000”.

19 **SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT**  
20 **CERTAIN FISCAL YEAR 1997 PROJECT.**

21 (a) *MODIFICATION.*—The table in section 2401(a) of  
22 the Military Construction Authorization Act for Fiscal Year  
23 1997 (division B of Public Law 104–201; 110 Stat. 2775),  
24 as amended by section 2406 of the Military Construction  
25 Authorization Act for Fiscal Year 2000 (division B of Pub-  
26 lic Law 106–65; 113 Stat. 839), is further amended—

1           (1) *under the agency heading relating to Chem-*  
 2           *ical Demilitarization Program, in the item relating*  
 3           *to Pueblo Chemical Activity, Colorado, by striking*  
 4           *“\$203,500,000” in the amount column and inserting*  
 5           *“\$261,000,000”; and*

6           (2) *by striking the amount identified as the total*  
 7           *in the amount column and inserting “\$607,454,000”.*

8           (b) *CONFORMING AMENDMENT.—Section 2406(b)(2) of*  
 9           *that Act (110 Stat. 2779), as so amended, is further amend-*  
 10          *ed by striking “\$203,500,000” and inserting*  
 11          *“\$261,000,000”.*

12       **TITLE XXV—NORTH ATLANTIC**  
 13       **TREATY ORGANIZATION SE-**  
 14       **CURITY INVESTMENT PRO-**  
 15       **GRAM**

16       **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**  
 17       **ACQUISITION PROJECTS.**

18       *The Secretary of Defense may make contributions for*  
 19       *the North Atlantic Treaty Organization Security Invest-*  
 20       *ment program as provided in section 2806 of title 10,*  
 21       *United States Code, in an amount not to exceed the sum*  
 22       *of the amount authorized to be appropriated for this pur-*  
 23       *pose in section 2502 and the amount collected from the*  
 24       *North Atlantic Treaty Organization as a result of construc-*  
 25       *tion previously financed by the United States.*

1 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

2 *Funds are hereby authorized to be appropriated for fis-*  
 3 *cal years beginning after September 30, 2002, for contribu-*  
 4 *tions by the Secretary of Defense under section 2806 of title*  
 5 *10, United States Code, for the share of the United States*  
 6 *of the cost of projects for the North Atlantic Treaty Organi-*  
 7 *zation Security Investment program authorized by section*  
 8 *2501, in the amount of \$168,200,000.*

9 **TITLE XXVI—GUARD AND**  
 10 **RESERVE FORCES FACILITIES**

11 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**  
 12 **TION AND LAND ACQUISITION PROJECTS.**

13 *(a) IN GENERAL.—There are authorized to be appro-*  
 14 *priated for fiscal years beginning after September 30, 2002,*  
 15 *for the costs of acquisition, architectural and engineering*  
 16 *services, and construction of facilities for the Guard and*  
 17 *Reserve Forces, and for contributions there for, under chap-*  
 18 *ter 1803 of title 10, United States Code (including the cost*  
 19 *of acquisition of land for those facilities), the following*  
 20 *amounts:*

21 *(1) For the Department of the Army—*

22 *(A) for the Army National Guard of the*  
 23 *United States, \$170,793,000; and*

24 *(B) for the Army Reserve, \$86,789,000.*

25 *(2) For the Department of the Navy, for the*  
 26 *Naval and Marine Corps Reserve, \$66,971,000.*

(3) *For the Department of the Air Force—*

(A) *for the Air National Guard of the United States, \$119,266,000; and*

(B) *for the Air Force Reserve, \$68,576,000.*

## **TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZA- TIONS**

### **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.**

(a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—*

(1) *October 1, 2005; or*

(2) *the date of the enactment of an Act authorizing funds for military construction for fiscal year 2006.*

(b) *EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects, and facilities, and contribu-*

1 *tions to the North Atlantic Treaty Organization Security*  
 2 *Investment program (and authorizations of appropriations*  
 3 *therefor) for which appropriated funds have been obligated*  
 4 *before the later of—*

5 *(1) October 1, 2005; or*

6 *(2) the date of the enactment of an Act author-*  
 7 *ized funds for fiscal year 2005 for military construc-*  
 8 *tion projects, land acquisition, family housing*  
 9 *projects and facilities, and contributions to the North*  
 10 *Atlantic Treaty Organization Security Investment*  
 11 *program.*

12 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**  
 13 **FISCAL YEAR 2000 PROJECTS.**

14 *(a) EXTENSION OF CERTAIN PROJECTS.—Notwith-*  
 15 *standing section 2701 of the Military Construction Author-*  
 16 *ization Act for Fiscal Year 2000 (division B of Public Law*  
 17 *106–65; 113 Stat. 841), authorizations set forth in the ta-*  
 18 *bles in subsection (b), as provided in section 2302 or 2601*  
 19 *of that Act, shall remain in effect until October 1, 2003,*  
 20 *or the date of the enactment of an Act authorizing funds*  
 21 *for military construction for fiscal year 2004, whichever is*  
 22 *later.*

23 *(b) TABLES.—The tables referred to in subsection (a)*  
 24 *are as follows:*

***Air Force: Extension of 2000 Project Authorization***

<b><i>State</i></b>	<b><i>Installation or location</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Oklahoma .....</i>	<i>Tinker Air Force Base ..</i>	<i>Replace Family Housing (41 Units) .....</i>	<i>\$6,000,000</i>

***Army National Guard: Extension of 2000 Project Authorization***

<b><i>State</i></b>	<b><i>Installation or location</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Virginia .....</i>	<i>Fort Pickett .....</i>	<i>Multi-Purpose Range Complex—Heavy ..</i>	<i>\$13,500,000</i>

1       (c) *EXTENSION OF ADDITIONAL PROJECT.*—Notwith-  
2       standing any other provision of law, the authorization set  
3       forth in the table in subsection (d), as provided in section  
4       8160 of the Department of Defense Appropriations Act,  
5       2000 (Public Law 106–79; 113 Stat. 1274), shall remain  
6       in effect until October 1, 2003, or the date of the enactment  
7       of an Act authorizing funds for military construction for  
8       fiscal year 2004, whichever is later.

9       (d) *TABLE FOR EXTENSION OF ADDITIONAL*  
10      *PROJECT.*—The table referred to in subsection (c) is as fol-  
11      lows:

***Army National Guard: Extension of 2000 Project Authorization***

<b><i>State</i></b>	<b><i>Installation or location</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Pennsylvania .....</i>	<i>Connellsville .....</i>	<i>Readiness Cen-ter .....</i>	<i>\$1,700,000</i>

12      ***SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN***  
13      ***FISCAL YEAR 1999 PROJECTS.***

14      (a) *EXTENSION.*—Notwithstanding section 2701 of the  
15      *Military Construction Authorization Act for Fiscal Year*

1 1999 (division B of Public Law 105–261; 112 Stat. 2199),  
 2 authorizations set forth in the table in subsection (b), as  
 3 provided in section 2302 of that Act and extended by section  
 4 2702 of the Military Construction Authorization Act for  
 5 Fiscal Year 2002 (division B of Public Law 107–107; 115  
 6 Stat. 1301), shall remain in effect until October 1, 2003,  
 7 or the date of the enactment of an Act authorizing funds  
 8 for military construction for fiscal year 2004, whichever is  
 9 later.

10 (b) *TABLE.—The table referred to in subsection (a) is*  
 11 *as follows:*

***Air Force: Extension of 1999 Project Authorizations***

<b><i>State</i></b>	<b><i>Installation or loca- tion</i></b>	<b><i>Project</i></b>	<b><i>Amount</i></b>
<i>Delaware .....</i>	<i>Dover Air Force Base ....</i>	<i>Replace Family Housing (55 Units) .....</i>	<i>\$8,988,000</i>
<i>Florida .....</i>	<i>Patrick Air Force Base</i>	<i>Replace Family Housing (46 Units) .....</i>	<i>\$9,692,000</i>
<i>New Mexico .....</i>	<i>Kirtland Air Force Base</i>	<i>Replace Family Housing (37 Units) .....</i>	<i>\$6,400,000</i>
<i>Ohio .....</i>	<i>Wright-Patterson Air Force Base .....</i>	<i>Replace Family Housing (40 Units) .....</i>	<i>\$5,600,000</i>

12 ***SEC. 2704. EFFECTIVE DATE.***

13 *Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI of*  
 14 *this Act shall take effect on the later of—*

15 (1) *October 1, 2002; or*

16 (2) *the date of the enactment of this Act.*



1                   **TITLE XXVIII—GENERAL**  
 2                   **PROVISIONS**  
 3       **Subtitle A—Military Construction**  
 4       **Program and Military Family**  
 5       **Housing Changes**

6       **SEC. 2801. CHANGES TO ALTERNATIVE AUTHORITY FOR AC-**  
 7                   **QUISITION AND IMPROVEMENT OF MILITARY**  
 8                   **HOUSING.**

9           (a) *AUTHORIZED UTILITIES AND SERVICES.*—Section  
 10   2872a(b) of title 10, United States Code, is amended by  
 11   adding at the end the following new paragraphs:

12                   “(11) *Firefighting and fire protection services.*

13                   “(12) *Police protection services.*”.

14           (b) *LEASING OF HOUSING.*—Subsection (a) of section  
 15   2874 of such title is amended to read as follows:

16                   “(a) *LEASE AUTHORIZED.*—(1) *The Secretary con-*  
 17   *cerned may enter into contracts for the lease of housing*  
 18   *units that the Secretary determines are suitable for use as*  
 19   *military family housing or military unaccompanied hous-*  
 20   *ing.*

21                   “(2) *The Secretary concerned shall utilize housing*  
 22   *units leased under paragraph (1) as military family hous-*  
 23   *ing or military unaccompanied housing, as appropriate.*”.

24           (c) *REPEAL OF INTERIM LEASE AUTHORITY.*—Section  
 25   2879 of such title is repealed.

1       (d) *SPACE LIMITATIONS BY PAY GRADE.*—Section  
 2 2880(b)(2) of such title is amended by striking “unless the  
 3 unit is located on a military installation”.

4       (e) *DEPARTMENT OF DEFENSE HOUSING FUND.*—(1)  
 5 Section 2883 of such title is amended by striking sub-  
 6 sections (a), (b), and (c) inserting the following new sub-  
 7 sections (a) and (b):

8       “(a) *ESTABLISHMENT.*—There is hereby established on  
 9 the books of the Treasury an account to be known as the  
 10 Department of Defense Housing Improvement Fund (in this  
 11 section referred to as the ‘Fund’).

12       “(b) *CREDITS TO FUND.*—There shall be credited to the  
 13 Fund the following:

14               “(1) Amounts authorized for and appropriated  
 15 to the Fund.

16               “(2) Subject to subsection (e), any amounts that  
 17 the Secretary of Defense transfers, in such amounts as  
 18 are provided for in appropriation Acts, to the Fund  
 19 from amounts authorized and appropriated to the De-  
 20 partment of Defense for the acquisition or construc-  
 21 tion of military family housing or military unaccom-  
 22 panied housing.

23               “(3) Proceeds from the conveyance or lease of  
 24 property or facilities under section 2878 of this title  
 25 for the purpose of carrying out activities under this

1       *subchapter with respect to military family housing or*  
2       *military unaccompanied housing.*

3               “(4) *Income derived from any activities under*  
4       *this subchapter with respect to military family hous-*  
5       *ing or military unaccompanied housing, income and*  
6       *gains realized from investments under section 2875 of*  
7       *this title, and any return of capital invested as part*  
8       *of such investments.*

9               “(5) *Any amounts that the Secretary of the Navy*  
10       *transfers to the Fund pursuant to section 2814(i)(3)*  
11       *of this title, subject to the restrictions on the use of*  
12       *the transferred amounts specified in that section.”.*

13       *(2) Such section is further amended—*

14               *(A) by redesignating subsections (d) through (g)*  
15       *as (c) through (f), respectively;*

16               *(B) in subsection (c), as so redesignated—*

17                       *(i) in the subsection heading, by striking*  
18       *“FUNDS” and inserting “FUND”;*

19                       *(ii) in paragraph (1)—*

20                               *(I) by striking “subsection (e)” and in-*  
21       *serting “subsection (d)”;* and

22                               *(II) by striking “Department of De-*  
23       *fense Family Housing Improvement Fund”*  
24       *and inserting “Fund”;*

25                       *(iii) by striking paragraph (2); and*

1                   (iv) by redesignating paragraph (3) as  
2                   paragraph (2);

3                   (C) in subsection (d), as so redesignated, by  
4                   striking “required to be used to satisfy the obliga-  
5                   tion”;

6                   (D) in subsection (e), as so redesignated, by  
7                   striking “a Fund under paragraph (1)(B) or (2)(B)  
8                   of subsection (c)” and inserting “the Fund under sub-  
9                   section (b)(2)”; and

10                  (E) in subsection (f), as so redesignated—

11                   (i) in paragraph (1), by striking  
12                   “\$850,000,000” and inserting “\$1,700,000,000”;  
13                   and

14                   (ii) in paragraph (2), by striking  
15                   “\$150,000,000” and inserting “\$300,000,000”.

16                  (f) *TRANSFER OF UNOBLIGATED AMOUNTS.*—(1) *The*  
17                  *Secretary of Defense shall transfer to the Department of De-*  
18                  *fense Housing Improvement Fund established under section*  
19                  *2883(a) of title 10, United States Code (as amended by sub-*  
20                  *section (e)), any amounts in the Department of Defense*  
21                  *Family Housing Improvement Fund and the Department*  
22                  *of Defense Military Unaccompanied Housing Improvement*  
23                  *that remain available for obligation as of the date of the*  
24                  *enactment of this Act.*

1       (2) *Amounts transferred to the Department of Defense*  
 2 *Housing Improvement Fund under paragraph (1) shall be*  
 3 *merged with amounts in that Fund, and shall be available*  
 4 *for the same purposes, and subject to the same conditions*  
 5 *and limitations, as other amounts in that Fund.*

6       (g) *CONFORMING AMENDMENTS.*—(1) *Paragraph (3)*  
 7 *of section 2814(i) of such title is amended—*

8               (A) *by striking subparagraph (A) and inserting*  
 9 *the following new subparagraph (A):*

10       “(A) *The Secretary may transfer funds from the Ford*  
 11 *Island Improvement Account to the Department of Defense*  
 12 *Housing Improvement Fund established by section 2883(a)*  
 13 *of this title.*”; and

14               (B) *in subparagraph (B), by striking “a fund”*  
 15 *and inserting “the Fund”.*

16       (2) *Section 2871(6) of such title is amended by striking*  
 17 *“Department of Defense Family Housing Improvement*  
 18 *Fund or the Department of Defense Military Unaccom-*  
 19 *panied Housing Improvement Fund” and inserting “De-*  
 20 *partment of Defense Housing Improvement Fund”.*

21       (3) *Section 2875(e) of such title is amended by striking*  
 22 *“Department of Defense Family Housing Improvement*  
 23 *Fund or the Department of Defense Military Unaccom-*  
 24 *panied Housing Improvement Fund” and inserting “De-*  
 25 *partment of Defense Housing Improvement Fund”.*

1       (h) *CLERICAL AMENDMENTS.*—(1) *The section heading*  
 2 *for section 2874 of such title is amended to read as follows:*

3       **“§2874. Leasing of housing”.**

4       (2) *The section heading for section 2883 of such title*  
 5 *is amended to read as follows:*

6       **“§2883. Department of Defense Housing Improvement**  
 7               **Fund”.**

8       (3) *The table of sections at the beginning subchapter*  
 9 *IV of chapter 169 of such title is amended—*

10               (A) *by striking the item relating to section 2874*  
 11 *and inserting the following new item:*

“2874. *Leasing of housing.*”;

12               (B) *by striking the item relating to section 2879;*  
 13 *and*

14               (C) *by striking the item relating to section 2883*  
 15 *and inserting the following new item:*

“2883. *Department of Defense Housing Improvement Fund.*”.

16       **SEC. 2802. MODIFICATION OF AUTHORITY TO CARRY OUT**  
 17               **CONSTRUCTION PROJECTS AS PART OF ENVI-**  
 18               **RONMENTAL RESPONSE ACTION.**

19       (a) *AUTHORITY TO CARRY OUT UNAUTHORIZED*  
 20 *PROJECTS.*—*Subsection (a) of section 2810 of title 10,*  
 21 *United States Code, is amended to read as follows:*

22       “(a) *AUTHORITY TO CARRY OUT UNAUTHORIZED CON-*  
 23 *STRUCTION PROJECTS.*—*The Secretary concerned may*  
 24 *carry out a military construction project not otherwise au-*

1 *thorized by law if the Secretary determines that the project*  
 2 *is necessary to carry out a response under chapter 160 of*  
 3 *this title or the Comprehensive Environmental Response,*  
 4 *Compensation, and Liability Act of 1980 (42 U.S.C. 9601*  
 5 *et seq.).”.*

6 (b) *CONGRESSIONAL NOTIFICATION.*—Subsection (b) of  
 7 *such section is amended by striking “(1)” and the first sen-*  
 8 *tence and inserting “CONGRESSIONAL NOTIFICATION.—(1)*  
 9 *When a decision is made to carry out a military construc-*  
 10 *tion project under this section that exceeds the amount spec-*  
 11 *ified in section 2805(b)(1) of this title, the Secretary con-*  
 12 *cerned shall submit a report in writing to the appropriate*  
 13 *committees of Congress on that decision.”.*

14 (c) *DEFINITION.*—Subsection (c) of *such section is*  
 15 *amended—*

16 (1) *by inserting “RESPONSE DEFINED.—” after*  
 17 *“(c)”;* and

18 (2) *by striking “action”.*

19 **SEC. 2803. LEASING OF MILITARY FAMILY HOUSING IN**  
 20 **KOREA.**

21 *Paragraph (3) of section 2828(e) of title 10, United*  
 22 *States Code, is amended to read as follows:*

23 *“(3) In addition to the 450 units of family housing*  
 24 *referred to in paragraph (1) for which the maximum lease*

1 amount is \$25,000 per unit per year, the Secretary of the  
2 Army may lease in Korea—

3 “(A) not more than 1,175 units of family hous-  
4 ing subject to that maximum lease amount; and

5 “(B) not more than 2,400 units of family hous-  
6 ing subject to a maximum lease amount of \$35,000  
7 per unit per year.”.

8 **SEC. 2804. PILOT HOUSING PRIVATIZATION AUTHORITY**  
9 **FOR ACQUISITION OR CONSTRUCTION OF**  
10 **MILITARY UNACCOMPANIED HOUSING.**

11 (a) *IN GENERAL.*—(1) Subchapter IV of chapter 169  
12 of title 10, United States Code, is amended by inserting  
13 after section 2881 the following new section:

14 **“§2881a. Pilot projects for acquisition or construction**  
15 **of military unaccompanied housing**

16 “(a) *PILOT PROJECTS AUTHORIZED.*—The Secretary  
17 of the Navy may carry out not more than 3 pilot projects  
18 under the authority of this section or another provision of  
19 this subchapter to use the private sector for the acquisition  
20 or construction of military unaccompanied housing in the  
21 United States, including any territory or possession of the  
22 United States.

23 “(b) *ASSIGNMENT OF MEMBERS AND BASIC ALLOW-*  
24 *ANCE FOR HOUSING.*—(1) The Secretary of the Navy may  
25 assign members of the armed forces to housing units ac-



1 *quired or constructed under the pilot projects, and such*  
2 *housing units shall be considered as quarters of the United*  
3 *States or a housing facility under the jurisdiction of a uni-*  
4 *formed service for purposes of section 403 of title 37.*

5       “(2) *Notwithstanding section 403(n)(2) of title 37, the*  
6 *Secretary of Defense may set specific higher rates of partial*  
7 *basic allowance for housing for a member of the armed*  
8 *forces who is assigned to a housing unit acquired or con-*  
9 *structed under the pilot projects. Any increase in the rate*  
10 *of partial basic allowance for housing to accommodate the*  
11 *pilot programs shall be in addition to any partial basic*  
12 *allowance for housing that the member may otherwise be*  
13 *eligible to receive under section 403(n) of title 37. A member*  
14 *may not sustain a reduction in partial basic allowance for*  
15 *housing as a result of assignment to a housing unit ac-*  
16 *quired or constructed under the pilot projects.*

17       “(c) *FUNDING.—(1) The Department of Defense Hous-*  
18 *ing Improvement Fund shall be used to carry out activities*  
19 *under the pilot projects.*

20       “(2) *Subject to 90 days prior notification to the appro-*  
21 *priate committees of Congress, such additional amounts as*  
22 *the Secretary of Defense considers necessary may be trans-*  
23 *ferred to the Department of Defense Housing Improvement*  
24 *Fund from amounts appropriated for construction of mili-*  
25 *tary unaccompanied housing projects in military construc-*

1 *tion accounts. The amounts so transferred shall be merged*  
2 *with and to be available for the same purposes and for the*  
3 *same period of time as amounts appropriated directly to*  
4 *the Fund.*

5 “(d) *REPORTS.—(1) The Secretary of the Navy shall*  
6 *transmit to the appropriate committees of Congress a report*  
7 *describing—*

8 “(A) *each contract for the acquisition of military*  
9 *unaccompanied housing that the Secretary proposes*  
10 *to solicit under the pilot projects;*

11 “(B) *each conveyance or lease proposed under*  
12 *section 2878 of this title in furtherance of the pilot*  
13 *projects; and*

14 “(C) *the proposed partial basic allowance for*  
15 *housing rates for each contract as they vary by grade*  
16 *of the member and how they compare to basic allow-*  
17 *ance for housing rates for other contracts written*  
18 *under the authority of the pilot programs.*

19 “(2) *The report shall describe the proposed contract,*  
20 *conveyance, or lease and the intended method of participa-*  
21 *tion of the United States in the contract, conveyance, or*  
22 *lease and provide a justification of such method of partici-*  
23 *pation. The report shall be submitted not later than 90 days*  
24 *before the date on which the Secretary issues the contract*  
25 *solicitation or offers the conveyance or lease.*

1       “(e) *EXPIRATION*.—Notwithstanding section 2885 of  
 2   this title, the authority of the Secretary of the Navy to enter  
 3   into a contract under the pilot programs shall expire Sep-  
 4   tember 30, 2007.”.

5       (2) *The table of sections at the beginning of such sub-*  
 6   *chapter is amended by inserting after the item relating to*  
 7   *section 2881 the following new item:*

“2881a. *Pilot projects for acquisition or construction of military unaccompanied housing.*”.

8       (b) *CONFORMING AMENDMENT*.—Section 2871(7) of  
 9   title 10, United States Code, is amended by inserting before  
 10   the period at the end the following: “and transient housing  
 11   intended to be occupied by members of the armed forces on  
 12   temporary duty”.

13       ***Subtitle B—Real Property and***  
 14       ***Facilities Administration***

15   ***SEC. 2811. AGREEMENTS WITH PRIVATE ENTITIES TO LIMIT***  
 16       ***ENCROACHMENTS AND OTHER CONSTRAINTS***  
 17       ***ON MILITARY TRAINING, TESTING, AND OPER-***  
 18       ***ATIONS.***

19       (a) *IN GENERAL*.—Chapter 159 of title 10, United  
 20   States Code, is amended by inserting after section 2684 the  
 21   following new section:

1 **“§2684a. Agreements to limit encroachments and**  
 2 **other constraints on military training,**  
 3 **testing, and operations**

4 “(a) *AGREEMENTS AUTHORIZED.*—The Secretary of a  
 5 military department may enter into an agreement with a  
 6 private entity described in subsection (b) to address the use  
 7 or development of real property in the vicinity of a military  
 8 installation for purposes of—

9 “(1) *limiting any development or use of the*  
 10 *property that would otherwise be incompatible with*  
 11 *the mission of the installation; or*

12 “(2) *preserving habitat on the property in a*  
 13 *manner that is compatible with both—*

14 “(A) *current or anticipated environmental*  
 15 *restrictions that would or might otherwise re-*  
 16 *strict, impede, or otherwise interfere, whether di-*  
 17 *rectly or indirectly, with current or anticipated*  
 18 *military training, testing, or operations on the*  
 19 *installation; and*

20 “(B) *current or anticipated military train-*  
 21 *ing, testing, or operations on the installation.*

22 “(b) *COVERED PRIVATE ENTITIES.*—A private entity  
 23 referred to in subsection (a) is any private entity that has  
 24 as its stated principal organizational purpose or goal the  
 25 conservation, restoration, or preservation of land and nat-

1 *ural resources, or a similar purpose or goal, as determined*  
2 *by the Secretary concerned.*

3 “(c) *INAPPLICABILITY OF CERTAIN CONTRACT RE-*  
4 *QUIREMENTS.*—Chapter 63 of title 31 shall not apply to  
5 *any agreement entered into under this section.*

6 “(d) *ACQUISITION AND ACCEPTANCE OF PROPERTY*  
7 *AND INTERESTS.*—(1) *An agreement with a private entity*  
8 *under this section—*

9 “(A) *may provide for the private entity to ac-*  
10 *quire all right, title, and interest in and to any real*  
11 *property, or any lesser interest in the property, as*  
12 *may be appropriate for purposes of this section; and*

13 “(B) *shall provide for the private entity to trans-*  
14 *fer to the United States, upon the request of the*  
15 *United States, any property or interest so acquired.*

16 “(2) *Property or interests may not be acquired pursu-*  
17 *ant to an agreement under this section unless the owner*  
18 *of the property or interests, as the case may be, consents*  
19 *to the acquisition.*

20 “(3) *An agreement under this section providing for the*  
21 *acquisition of property or interests under paragraph (1)(A)*  
22 *shall provide for the sharing by the United States and the*  
23 *private entity concerned of the costs of the acquisition of*  
24 *the property or interests.*

1       “(4) *The Secretary concerned shall identify any prop-*  
2 *erty or interests to be acquired pursuant to an agreement*  
3 *under this section. The property or interests shall be limited*  
4 *to the minimum property or interests necessary to ensure*  
5 *that the property concerned is developed and used in a*  
6 *manner appropriate for purposes of this section.*

7       “(5) *Notwithstanding any other provision of law, the*  
8 *Secretary concerned may accept on behalf of the United*  
9 *States any property or interest to be transferred to the*  
10 *United States under paragraph (1)(B).*

11       “(6) *The Secretary concerned may, for purposes of the*  
12 *acceptance of property or interests under this subsection,*  
13 *accept an appraisal or title documents prepared or adopted*  
14 *by a non-Federal entity as satisfying the applicable require-*  
15 *ments of section 301 of the Uniform Relocation Assistance*  
16 *and Real Property Acquisition Policies Act of 1970 (42*  
17 *U.S.C. 4651) or section 355 of the Revised Statutes (40*  
18 *U.S.C. 255) if the Secretary finds that the appraisal or title*  
19 *documents substantially comply with the requirements.*

20       “(e) *ACQUISITION OF WATER RIGHTS.—The authority*  
21 *of the Secretary of a military department to enter into an*  
22 *agreement under subsection (a) for the acquisition of real*  
23 *property (or an interest therein) includes the authority to*  
24 *support the purchase of water rights from any available*

1 *source when necessary to support or protect the mission of*  
 2 *a military installation.*

3       “(f) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*  
 4 *retary concerned may require such additional terms and*  
 5 *conditions in an agreement under this section as the Sec-*  
 6 *retary considers appropriate to protect the interests of the*  
 7 *United States.*

8       “(g) *FUNDING.*—(1) *Except as provided in paragraph*  
 9 *(2), funds authorized to be appropriated for operation and*  
 10 *maintenance of the Army, Navy, Marine Corps, Air Force,*  
 11 *or Defense-wide activities, including funds authorized to be*  
 12 *appropriated for the Legacy Resources Management Pro-*  
 13 *gram, may be used to enter into agreements under this sec-*  
 14 *tion.*

15       “(2) *In the case of a military installation operated*  
 16 *primarily with funds authorized to be appropriated for re-*  
 17 *search, development, test, and evaluation, funds authorized*  
 18 *to be appropriated for the Army, Navy, Marine Corps, Air*  
 19 *Force, or Defense-wide activities for research, development,*  
 20 *test, and evaluation may be used to enter into agreements*  
 21 *under this section with respect to the installation.”.*

22       (b) *CLERICAL AMENDMENT.*—*The table of sections at*  
 23 *the beginning of such chapter is amended by inserting after*  
 24 *the item relating to section 2684 the following new item:*

“2684a. *Agreements to limit encroachments and other constraints on military training, testing, and operations.*”.

1 **SEC. 2812. CONVEYANCE OF SURPLUS REAL PROPERTY FOR**  
2 **NATURAL RESOURCE CONSERVATION PUR-**  
3 **POSES.**

4 (a) *CONVEYANCE AUTHORITY.*—(1) Chapter 159 of  
5 title 10, United States Code, is amended by inserting after  
6 section 2694 the following new section:

7 **“§ 2694a. Conveyance of surplus real property for nat-**  
8 **ural resource conservation**

9 “(a) *AUTHORITY TO CONVEY.*—The Secretary of a  
10 military department may convey to an eligible recipient de-  
11 scribed in subsection (b) any surplus real property that—

12 “(1) is under the administrative control of the  
13 Secretary;

14 “(2) is suitable and desirable for conservation  
15 purposes;

16 “(3) has been made available for public benefit  
17 transfer for a sufficient period of time to potential  
18 claimants; and

19 “(4) is not subject to a pending request for trans-  
20 fer to another Federal agency or for conveyance to  
21 any other qualified recipient for public benefit trans-  
22 fer under the real property disposal processes and au-  
23 thorities established pursuant to the Federal Property  
24 and Administrative Services Act of 1949 (40 U.S.C.  
25 471, et seq.).



1       “(b) *ELIGIBLE RECIPIENTS.*—*The conveyance of sur-*  
 2 *plus real property under subsection (a) may be made to*  
 3 *any of the following:*

4               “(1) *A State or political subdivision of a State.*

5               “(2) *A nonprofit organization that exists for the*  
 6 *primary purpose of conservation of natural resources*  
 7 *on real property.*

8       “(c) *REVISIONARY INTEREST AND OTHER DEED RE-*  
 9 *QUIREMENTS.*—(1) *The deed of conveyance of any surplus*  
 10 *real property conveyed under subsection (a) disposed of*  
 11 *under this subsection shall require the property to be used*  
 12 *and maintained for the conservation of natural resources*  
 13 *in perpetuity. If the Secretary of the military department*  
 14 *that made the conveyance determines at any time that the*  
 15 *property is not being used or maintained for such purpose,*  
 16 *then, at the option of the Secretary, all or any portion of*  
 17 *the property shall revert to the United States.*

18       “(2) *The deed of conveyance may permit the recipient*  
 19 *of the property—*

20               “(A) *to convey the property to another eligible*  
 21 *entity described in subsection (b), subject to the ap-*  
 22 *proval of the Secretary of the military department*

1       that made the conveyance and subject to the same cov-  
2       enants and terms and conditions as provided in the  
3       deed from the United States; and

4               “(B) to conduct incidental revenue-producing ac-  
5       tivities on the property that are compatible with the  
6       use of the property for conservation purposes.

7       “(3) The deed of conveyance may contain such addi-  
8       tional terms, reservations, restrictions, and conditions as  
9       the Secretary of the military department considers appro-  
10      priate to protect the interests of the United States.

11       “(d) *RELEASE OF COVENANTS.*—The Secretary of the  
12      military department that conveys real property under sub-  
13      section (a), with the concurrence of the Secretary of Inte-  
14      rior, may grant a release from a covenant included in the  
15      deed of conveyance of the property under subsection (c) on  
16      the condition that the recipient of the property pay the fair  
17      market value, as determined by the Secretary of the mili-  
18      tary department, of the property at the time of the release  
19      of the covenant. The Secretary of the military department  
20      may reduce the amount required to be paid under this sub-  
21      section to account for the value of the natural resource con-  
22      servation benefit that has accrued to the United States dur-  
23      ing the period the covenant was in effect, if the benefit was  
24      not taken into account in determining the original consid-  
25      eration for the conveyance.

1       “(e) *LIMITATIONS.*—A conveyance under subsection (a)  
2   shall not be used in settlement of any litigation, dispute,  
3   or claim against the United States, or as a condition of  
4   allowing any defense activity under any Federal, State, or  
5   local permitting or review process. The Secretary of a mili-  
6   tary department may make a conveyance under subsection  
7   (a), with the restrictions specified in subsection (c), to estab-  
8   lish a mitigation bank, but only if the establishment of the  
9   mitigation bank does not occur in order to satisfy any con-  
10   dition for permitting military activity under a Federal,  
11   State, or local permitting or review process.

12       “(f) *CONSIDERATION.*—In fixing the consideration for  
13   the conveyance of real property under subsection (a) or in  
14   determining the amount of any reduction of the amount  
15   to be paid for the release of a covenant under subsection  
16   (d), the Secretary of the military department concerned  
17   shall take into consideration any benefit that has accrued  
18   or may accrue to the United States from the use of such  
19   property for the conservation of natural resources.

20       “(g) *RELATION TO OTHER CONVEYANCE AUTHORI-*  
21   *TIES.*—(1) The Secretary of a military department may not  
22   make a conveyance under this section of any real property  
23   to be disposed of under a base closure law in a manner  
24   that is inconsistent with the requirements and conditions  
25   of the base closure law.

1       “(2) *In the case of real property on Guam, the Sec-*  
2 *retary of a military department may not make a convey-*  
3 *ance under this section unless the Government of Guam has*  
4 *been first afforded the opportunity to acquire the real prop-*  
5 *erty as authorized by section 1 of Public Law 106–504 (114*  
6 *Stat. 2309).*

7       “(h) *DEFINITIONS.—In this section:*

8               “(1) *The term ‘State’ includes the District of Co-*  
9 *lumbia, the Commonwealth of Puerto Rico, the Com-*  
10 *monwealth of the Northern Marianas, and the terri-*  
11 *tories and possessions of the United States.*

12       “(2) *The term ‘base closure law’ means the following:*

13               “(A) *Section 2687 of this title.*

14               “(B) *Title II of the Defense Authorization*  
15 *Amendments and Base Closure and Realignment*  
16 *Act of 1988 (10 U.S.C. 2687 note).*

17               “(C) *The Defense Base Closure and Realign-*  
18 *ment Act of 1990 (part A of title XXIX of Public*  
19 *Law 101–510; 10 U.S.C. 2687 note).*

20               “(D) *Any other similar authority for the*  
21 *closure or realignment of military installations*  
22 *that is enacted after the date of the enactment of*  
23 *the National Defense Authorization Act for Fis-*  
24 *cal Year 2003.”.*

1       (2) *The table of sections at the beginning of such chap-*  
 2 *ter is amended by inserting after the item relating to section*  
 3 *2694 the following new item:*

*“2694a. Conveyance of surplus real property for natural resource conservation.”.*

4       (b) *ACCEPTANCE OF FUNDS TO COVER ADMINISTRA-*  
 5 *TIVE EXPENSES.—Section 2695(b) of such title is amended*  
 6 *by adding at the end the following new paragraph:*

7               *“(5) The conveyance of real property under sec-*  
 8 *tion 2694a of this title.”.*

9       (c) *AGREEMENTS WITH NONPROFIT NATURAL RE-*  
 10 *SOURCE CONSERVATION ORGANIZATIONS.—Section 2701(d)*  
 11 *of such title is amended—*

12               (1) *in paragraph (1), by striking “with any*  
 13 *State or local government agency, or with any Indian*  
 14 *tribe,” and inserting “any State or local government*  
 15 *agency, any Indian tribe, or any nonprofit conserva-*  
 16 *tion organization”;* and

17               (2) *by striking paragraph (3) and inserting the*  
 18 *following new paragraph:*

19               *“(3) DEFINITIONS.—In this subsection:*

20                       *“(A) The term ‘Indian tribe’ has the mean-*  
 21 *ing given such term in section 101(36) of Com-*  
 22 *prehensive Environmental Response, Compensa-*  
 23 *tion, and Liability Act of 1980 (42 U.S.C.*  
 24 *9601(36)).*

1           “(B) The term ‘nonprofit conservation orga-  
 2           nization’ means any non-governmental nonprofit  
 3           organization whose primary purpose is conserva-  
 4           tion of open space or natural resources.”.

5 **SEC. 2813. NATIONAL EMERGENCY EXEMPTION FROM**  
 6 **SCREENING AND OTHER REQUIREMENTS OF**  
 7 **MCKINNEY-VENTO HOMELESS ASSISTANCE**  
 8 **ACT FOR PROPERTY USED IN SUPPORT OF**  
 9 **RESPONSE ACTIVITIES.**

10       Section 501 of the McKinney-Vento Homeless Assist-  
 11       ance Act (42 U.S.C. 11411) is amended—

12           (1) by redesignating subsection (i) as subsection  
 13       (j); and

14           (2) by inserting after subsection (h) the following  
 15       new subsection (i):

16       “(i) **APPLICABILITY TO CERTAIN PROPERTY DURING**  
 17 **EMERGENCIES.**—The screening requirements and other pro-  
 18       visions of this section shall not apply to any property that  
 19       is excess property or surplus property or that is described  
 20       as unutilized or underutilized property if the property is  
 21       subject to a request for conveyance or use for the purpose  
 22       of directly supporting activities in response to—

23           “(1) a war or national emergency declared in  
 24       accordance with the National Emergencies Act (50  
 25       U.S.C. 1601 et seq.); or

1           “(2) an emergency or major disaster declared in  
2           accordance with the Robert T. Stafford Disaster Relief  
3           and Emergency Assistance Act (42 U.S.C. 5121 et  
4           seq.).”.

5   **SEC. 2814. DEMONSTRATION PROGRAM ON REDUCTION IN**  
6           **LONG-TERM FACILITY MAINTENANCE COSTS.**

7           (a) *PROGRAM AUTHORIZED.*—The Secretary of De-  
8           fense may conduct a demonstration program to assess the  
9           feasibility and desirability of including facility mainte-  
10          nance requirements in construction contracts for military  
11          construction projects for the purpose of determining whether  
12          such requirements facilitate reductions in the long-term fa-  
13          cility maintenance costs of the military departments.

14          (b) *CONTRACTS.*—Not more than 12 contracts may  
15          contain requirements referred to in subsection (a) for the  
16          purpose of the demonstration program under this section.  
17          The demonstration program may only cover contracts en-  
18          tered into on or after the date of the enactment of this Act.

19          (c) *EFFECTIVE PERIOD OF REQUIREMENTS.*—The ef-  
20          fective period of a requirement referred to in subsection (a)  
21          that is included in a contract for the purpose of the dem-  
22          onstration program under this program may not exceed five  
23          years.

24          (d) *REPORTING REQUIREMENTS.*—Not later than Jan-  
25          uary 31, 2005, the Secretary of Defense shall submit to Con-

1 *gress a report on the demonstration program authorized by*  
2 *this section and the related Department of the Army dem-*  
3 *onstration program authorized by section 2814 of the Mili-*  
4 *tary Construction Authorization Act for Fiscal Year 2002*  
5 *(division B of Public Law 107–107; 115 Stat. 1310; 10*  
6 *U.S.C. 2809 note), including the following:*

7           *(1) A description of all contracts entered into*  
8           *under the demonstration programs.*

9           *(2) An evaluation of the demonstration programs*  
10          *and a description of the experience of the Secretary*  
11          *of Defense and the Secretary of the Army respect to*  
12          *such contracts.*

13          *(3) Any recommendations, including rec-*  
14          *ommendations for the termination, continuation, or*  
15          *expansion of the demonstration programs, that the*  
16          *Secretary of Defense or the Secretary of the Army*  
17          *considers appropriate.*

18          *(e) EXPIRATION.—The authority under subsection (a)*  
19          *to include requirements referred to in that subsection in*  
20          *contracts under the demonstration program under this sec-*  
21          *tion shall expire on September 30, 2006.*

22          *(f) FUNDING.—Amounts authorized to be appropriated*  
23          *for a fiscal year for military construction shall be available*  
24          *for the demonstration program under this section in such*  
25          *fiscal year.*



1       (g) *CONFORMING AMENDMENT.*—Section 2814 of the  
2 *Military Construction Authorization Act for Fiscal Year*  
3 *2002 (division B of Public Law 107–107; 115 Stat. 1310;*  
4 *10 U.S.C. 2809 note) is amended—*

5               (1) *by striking subsection (d); and*

6               (2) *by redesignating subsections (e) and (f) as*  
7 *subsections (d) and (e), respectively.*

8 ***SEC. 2815. EXPANDED AUTHORITY TO TRANSFER PROPERTY***  
9 ***AT MILITARY INSTALLATIONS TO BE CLOSED***  
10 ***TO PERSONS WHO CONSTRUCT OR PROVIDE***  
11 ***MILITARY FAMILY HOUSING.***

12       (a) *1988 LAW.*—Section 204(e)(1) of the *Defense Au-*  
13 *thorization Amendments and Base Closure and Realign-*  
14 *ment Act (Public Law 100–526; 10 U.S.C. 2687 note) is*  
15 *amended by striking the last sentence.*

16       (b) *1990 LAW.*—Section 2905(f)(1) of the *Defense Base*  
17 *Closure and Realignment Act of 1990 (part A of title XXIX*  
18 *of Public Law 101–510; 10 U.S.C. 2687 note) is amended*  
19 *by striking the last sentence.*

## ***Subtitle C—Land Conveyances***

### ***PART I—ARMY CONVEYANCES***

#### ***SEC. 2821. LAND CONVEYANCES, LANDS IN ALASKA NO LONGER REQUIRED FOR NATIONAL GUARD PURPOSES.***

*(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to an eligible entity described subsection (b) all right, title, and interest of the United States in and to any parcel of real property, including any improvements thereon, in the State of Alaska described in subsection (c) if the Secretary determines the conveyance would be in the public interest.*

*(b) ELIGIBLE RECIPIENTS.—The following entities shall be eligible to receive real property under subsection (a):*

*(1) The State of Alaska.*

*(2) A governmental entity in the State of Alaska.*

*(3) A Native Corporation (as defined in section 3 of the Alaska Native Claims Settlement Act (43 U.S.C. 1602)).*

*(4) The Metlakatla Indian Community.*

*(c) COVERED PROPERTY.—Subsection (a) applies to real property located in the State of Alaska that—*

*(1) is under the jurisdiction of the Department of the Army and, before December 2, 1980, was under*

1        *such jurisdiction for the use of the Alaska National*  
2        *Guard;*

3            *(2) is located in a unit of the National Wildlife*  
4        *Refuge System designated in the Alaska National In-*  
5        *terest Lands Conservation Act (Public Law 96-487;*  
6        *16 U.S.C. 668dd note);*

7            *(3) is excess to the needs of the Alaska National*  
8        *Guard and the Department of Defense; and*

9            *(4) the Secretary determines that—*

10            *(A) the anticipated cost to the United States*  
11            *of retaining the property exceeds the value of*  
12            *such property; or*

13            *(B) the condition of the property makes it*  
14            *unsuitable for retention by the United States.*

15        *(d) CONSIDERATION.—The conveyance of real property*  
16        *under this section shall, at the election of the Secretary, be*  
17        *for no consideration or for consideration in an amount de-*  
18        *termined by the Secretary to be appropriate under the cir-*  
19        *cumstances.*

20        *(e) USE OF CONSIDERATION.—If consideration is re-*  
21        *ceived for the conveyance of real property under subsection*  
22        *(a), the Secretary may use the amounts received, in such*  
23        *amounts as are provided in appropriations Acts, to pay*  
24        *for—*

(2) the cost of carrying out any environmental assessment, study, or analysis, and any remediation, that may be required under Federal law, or is considered appropriate by the Secretary, in connection with the property or the conveyance of the property; and

(3) any other costs incurred by the Secretary in conveying the property.

10           (f) *DESCRIPTION OF PROPERTY.*—*The exact acreage*  
11 *and legal description of any real property to be conveyed*  
12 *under subsection (a) shall be determined by a survey satis-*  
13 *factory to the Secretary.*

(g) *ADDITIONAL TERMS AND CONDITIONS.*—The Secretary may require such additional terms and conditions in connection with a conveyance of real property under this section as the Secretary considers appropriate to protect the interests of the United States.

19 SEC. 2822. LAND CONVEYANCE, FORT CAMPBELL, KEN-  
20 TUCKY.

21 (a) CONVEYANCE AUTHORIZED.—The Secretary of the  
22 Army may convey, without consideration, to the City of  
23 Hopkinsville, Kentucky, all right, title, and interest of the  
24 United States in and to a parcel of real property at Fort  
25 Campbell, Kentucky, consisting of approximately 50 acres

1 *and containing an abandoned railroad spur for the purpose*  
2 *of permitting the City to use the property for storm water*  
3 *management, recreation, transportation, and other public*  
4 *purposes.*

5 (b) *DESCRIPTION OF PROPERTY.*—*The acreage of the*  
6 *real property to be conveyed under subsection (a) has been*  
7 *determined by the Secretary through a legal description out-*  
8 *lining such acreage. No further survey of the property before*  
9 *transfer is necessary.*

10 (c) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*  
11 *retary may require such additional terms and conditions*  
12 *in connection with the conveyance under subsection (a) as*  
13 *the Secretary considers appropriate to protect the interests*  
14 *of the United States.*

15 **SEC. 2823. LAND CONVEYANCE, ARMY RESERVE TRAINING**  
16 **CENTER, BUFFALO, MINNESOTA.**

17 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
18 *Army may convey, without consideration, to the Buffalo*  
19 *Independent School District 877 of Buffalo, Minnesota (in*  
20 *this section referred to as the “School District”), all right,*  
21 *title, and interest of the United States in and to a parcel*  
22 *of real property, including improvements thereon, that is*  
23 *located at 800 8th Street, N.E., in Buffalo, Minnesota, and*  
24 *contains a former Army Reserve Training Center, which*

1 *is being used by the School District as the site of the Phoe-*  
 2 *nix Learning Center.*

3 (b) *DESCRIPTION OF PROPERTY.*—*The exact acreage*  
 4 *and legal description of the real property to be conveyed*  
 5 *under subsection (a) shall be determined by a survey satis-*  
 6 *factory to the Secretary. The cost of the survey shall be borne*  
 7 *by the School District.*

8 (c) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*  
 9 *retary may require such additional terms and conditions*  
 10 *in connection with the conveyance under subsection (a) as*  
 11 *the Secretary considers appropriate to protect the interests*  
 12 *of the United States.*

13 **SEC. 2824. LAND CONVEYANCE, FORT BLISS, TEXAS**

14 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
 15 *Army may convey, without consideration, to the County of*  
 16 *El Paso, Texas (in this section referred to as the “County”),*  
 17 *all right, title, and interest of the United States in and to*  
 18 *a parcel of real property, including improvements thereon,*  
 19 *consisting of approximately 44 acres at Fort Bliss, Texas,*  
 20 *for the purpose of facilitating the construction by the State*  
 21 *of Texas of a nursing home for veterans of the Armed*  
 22 *Forces.*

23 (b) *REVERSIONARY INTEREST.*—*If, at the end of the*  
 24 *five-year period beginning on the date the Secretary makes*  
 25 *the conveyance under subsection (a), the Secretary deter-*

1 *mines that a nursing home for veterans is not in operation*  
 2 *on the conveyed real property, all right, title, and interest*  
 3 *in and to the property, including any improvements there-*  
 4 *on, shall revert to the United States, and the United States*  
 5 *shall have the right of immediate entry onto the property.*  
 6 *Any determination of the Secretary under this subsection*  
 7 *shall be made on the record after an opportunity for a hear-*  
 8 *ing.*

9       (c) *DESCRIPTION OF PROPERTY.*—*The exact acreage*  
 10 *and legal description of the real property to be conveyed*  
 11 *under subsection (a) shall be determined by a survey satis-*  
 12 *factory to the Secretary. The cost of the survey shall be borne*  
 13 *by the County.*

14       (d) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*  
 15 *retary may require such additional terms and conditions*  
 16 *in connection with the conveyance under subsection (a) as*  
 17 *the Secretary considers appropriate to protect the interests*  
 18 *of the United States.*

19 **SEC. 2825. LAND CONVEYANCE, FORT HOOD, TEXAS.**

20       (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*  
 21 *Army may convey, without consideration, to the Veterans*  
 22 *Land Board of the State of Texas (in this section referred*  
 23 *to as the “Board”), all right, title, and interest of the*  
 24 *United States in and to a parcel of real property, including*  
 25 *any improvements thereon, consisting of approximately 174*

1 acres at Fort Hood, Texas, for the purpose of permitting  
 2 the Board to establish a State-run cemetery for veterans.

3 (b) *DESCRIPTION OF PROPERTY.*—The exact acreage  
 4 and legal description of the real property to be conveyed  
 5 under subsection (a) shall be determined by a survey satis-  
 6 factory to the Secretary. The cost of the survey shall be borne  
 7 by the Board.

8 (c) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-  
 9 retary may require such additional terms and conditions  
 10 in connection with the conveyance under subsection (a) as  
 11 the Secretary considers appropriate to protect the interests  
 12 of the United States.

13 **SEC. 2826. LAND CONVEYANCE, FORT MONMOUTH, NEW**  
 14 **JERSEY.**

15 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the  
 16 Army may convey by sale all right, title, and interest of  
 17 the United States in and to a parcel of land, consisting  
 18 of approximately 63.95 acres of military family housing  
 19 known as Howard Commons, that comprises a portion of  
 20 Fort Monmouth, New Jersey.

21 (b) *COMPETITIVE BID REQUIREMENT.*—The Secretary  
 22 shall use competitive procedures for the sale authorized by  
 23 subsection (a).

24 (c) *CONSIDERATION.*—As consideration for the convey-  
 25 ance authorized under subsection (a), the recipient of the



1 *land shall pay an amount that is no less than fair market*  
2 *value, as determined by the Secretary. Such recipient may,*  
3 *as in-kind consideration, build replacement military family*  
4 *housing or rehabilitate existing military family housing at*  
5 *Fort Monmouth, New Jersey, as agreed upon by the Sec-*  
6 *retary. Any proceeds received by the Secretary not used to*  
7 *construct or rehabilitate such military family housing shall*  
8 *be deposited in the special account in the Treasury estab-*  
9 *lished pursuant to section 204(h) of the Federal property*  
10 *and Administrative Services Act of 1949 (40 U.S.C.*  
11 *485(h)).*

12       (d) *DESCRIPTION OF PARCEL.—The exact acreage and*  
13 *legal description of the parcel to be conveyed under sub-*  
14 *section (a) shall be determined by a survey that is satisfac-*  
15 *tory to the Secretary. The cost of the survey shall be borne*  
16 *by the recipient of the parcel.*

17       (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
18 *retary may require such additional terms and conditions*  
19 *in connection with the conveyance under subsection (a) as*  
20 *the Secretary considers appropriate to protect the interests*  
21 *of the United States.*

**PART II—NAVY CONVEYANCES**

**SEC. 2831. LAND CONVEYANCE, MARINE CORPS AIR STATION, MIRAMAR, SAN DIEGO, CALIFORNIA.**

(a) *CONVEYANCE AUTHORIZED.*—The Secretary of the Navy may convey to the ENPEX Corporation, Incorporated (in this section referred to as the “Corporation”), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, at Marine Corps Air Station Miramar, San Diego, California, consisting of approximately 60 acres and appurtenant easements and any other necessary interests in real property for the purpose of permitting the Corporation to use the property for the production of electric power and related ancillary activities.

(b) *CONSIDERATION.*—(1) As consideration for the conveyance under subsection (a), the Corporation shall—

(A) convey to the United States all right, title, and interest of the Corporation in and to a parcel of real property in the San Diego area that is suitable for military family housing, as determined by the Secretary; and

(B) if the parcel conveyed under subparagraph (A) does not contain housing units suitable for use as military family housing, design and construct such military family housing units and supporting facilities as the Secretary considers appropriate.

1       (2) *The total combined value of the real property and*  
2 *military family housing conveyed by the Corporation under*  
3 *this subsection shall be at least equal to the fair market*  
4 *value of the real property conveyed to the Secretary under*  
5 *subsection (a), including any severance costs arising from*  
6 *any diminution of the value or utility of other property*  
7 *at Marine Corps Air Station Miramar attributable to the*  
8 *prospective future use of the property conveyed under sub-*  
9 *section (a).*

10       (3) *The Secretary shall determine the fair market*  
11 *value of the real property to be conveyed under subsection*  
12 *(a) and the fair market value of the consideration to be pro-*  
13 *vided under this subsection. Such determinations shall be*  
14 *final.*

15       (c) *REVERSIONARY INTEREST.—(1) Subject to para-*  
16 *graph (2), if the Secretary determines at any time that the*  
17 *property conveyed under subsection (a) is not being used*  
18 *in accordance with the purpose of the conveyance specified*  
19 *in such subsection, all right, title, and interest in and to*  
20 *the property, including any improvements thereon, shall re-*  
21 *vert, at the option of the Secretary, to the United States,*  
22 *and the United States shall have the right of immediate*  
23 *entry onto the property. Any determination of the Secretary*  
24 *under this subsection shall be made on the record after an*  
25 *opportunity for a hearing.*

1       (2) *If Marine Corps Air Station Miramar is no longer*  
2 *used as a Federal aviation facility, paragraph (1) shall no*  
3 *longer apply, and the Secretary shall release, without con-*  
4 *sideration, the reversionary interest retained by the United*  
5 *States under such paragraph.*

6       (d) *ADMINISTRATIVE EXPENSES.—(1) The Corpora-*  
7 *tion shall make funds available to the Secretary to cover*  
8 *costs to be incurred by the Secretary, or reimburse the Sec-*  
9 *retary for costs incurred, to carry out the conveyance under*  
10 *subsection (a), including survey costs, costs related to envi-*  
11 *ronmental documentation, and other administrative costs*  
12 *related to the conveyance. This paragraph does not apply*  
13 *to costs associated with the removal of explosive ordnance*  
14 *from the parcel and environmental remediation of the par-*  
15 *cel.*

16       (2) *Section 2695(c) of title 10 United States Code,*  
17 *shall apply to any amount received under paragraph (1).*  
18 *If the amounts received in advance under such paragraph*  
19 *exceed the costs actually incurred by the Secretary, the Sec-*  
20 *retary shall refund the excess amount to the Corporation.*

21       (e) *DESCRIPTIONS OF PROPERTY.—The exact acreage*  
22 *and legal descriptions of the real property to be conveyed*  
23 *by the Secretary under subsection (a) and the property to*  
24 *be conveyed by the Corporation under subsection (b) shall*  
25 *be determined by a survey satisfactory to the Secretary.*

1       (f) *EXEMPTIONS.*—Section 2696 of title 10, United  
 2 States Code, does not apply to the conveyance authorized  
 3 by subsection (a), and the authority to make the conveyance  
 4 shall not be considered to render the property excess or un-  
 5 derutilized.

6       (g) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-  
 7 retary may require such additional terms and conditions  
 8 in connection with the conveyances authorized by this sec-  
 9 tion as the Secretary considers appropriate to protect the  
 10 interests of the United States.

11 **SEC. 2832. BOUNDARY ADJUSTMENTS, MARINE CORPS**  
 12 **BASE, QUANTICO, AND PRINCE WILLIAM FOR-**  
 13 **EST PARK, VIRGINIA.**

14       (a) *BOUNDARY ADJUSTMENTS AND RELATED TRANS-*  
 15 *FERS.*—(1) The Secretary of the Navy and the Secretary  
 16 of the Interior shall adjust the boundaries of Marine Corps  
 17 Base, Quantico, Virginia, and Prince William Forest Park,  
 18 Virginia, to conform to the boundaries depicted on the map  
 19 entitled “Map Depicting Boundary Adjustments Proposed  
 20 With March 10, 1998, MOU Between Prince William Forest  
 21 Park and Marine Corps Base Quantico”.

22       (2) As part of the boundary adjustment, the Secretary  
 23 of the Navy shall transfer, without reimbursement, to the  
 24 administrative jurisdiction of the Secretary of the Interior  
 25 approximately 352 acres of land, as depicted on the map,

1 *and the Secretary of the Interior shall retain administrative*  
2 *jurisdiction over approximately 1,034 acres of land, which*  
3 *is a portion of the Department of Interior land commonly*  
4 *known as the Quantico Special Use Permit Land.*

5 (3) *As part of the boundary adjustment, the Secretary*  
6 *of the Interior shall transfer, without reimbursement, to the*  
7 *administrative jurisdiction of the Secretary of the Navy ap-*  
8 *proximately 3398 acres of land, as depicted on the map.*

9 (b) *EFFECT OF SUBSEQUENT DETERMINATION PROP-*  
10 *ERTY IS EXCESS.—(1) If land transferred or retained under*  
11 *paragraph (2) or (3) of subsection (a) is subsequently deter-*  
12 *mined to be excess to the needs of the Federal agency that*  
13 *received or retained the land, the head of that Federal agen-*  
14 *cy shall offer to return administrative jurisdiction over the*  
15 *land, without reimbursement, to the Federal agency from*  
16 *which the land was received or retained.*

17 (2) *If the offer under paragraph (1) is not accepted*  
18 *within 90 days or is otherwise rejected, the head of the Fed-*  
19 *eral agency holding the land may proceed to dispose of the*  
20 *land under then current law and regulations governing the*  
21 *disposal of excess property.*

**PART III—AIR FORCE CONVEYANCES**

**SEC. 2841. LAND CONVEYANCES, WENDOVER AIR FORCE  
BASE AUXILIARY FIELD, NEVADA.**

*(a) CONVEYANCES AUTHORIZED TO WEST WENDOVER,  
NEVADA.—(1) The Secretary of the Interior may convey,  
without consideration, to the City of West Wendover, Ne-  
vada, all right, title, and interest of the United States in  
and to the following:*

*(A) The lands at Wendover Air Force Base Aux-  
iliary Field, Nevada, identified in Easement No.  
AFMC-HL-2-00-334 that are determined by the Sec-  
retary of the Air Force to be no longer required for  
Air Force purposes.*

*(B) The lands at Wendover Air Force Base Aux-  
iliary Field identified for disposition on the map en-  
titled “West Wendover, Nevada—Excess”, dated Janu-  
ary 5, 2001, that are determined by the Secretary of  
the Air Force to be no longer required for Air Force  
purposes.*

*(2) The purposes of the conveyances under this sub-  
section are—*

*(A) to permit the establishment and maintenance  
of runway protection zones; and*

*(B) to provide for the development of an indus-  
trial park and related infrastructure.*

1       (3) *The map referred to in paragraph (1)(B) shall be*  
2 *on file and available for public inspection in the offices of*  
3 *the Director of the Bureau of Land Management and the*  
4 *Elko District Office of the Bureau of Land Management.*

5       (b) *CONVEYANCE AUTHORIZED TO TOOELE COUNTY,*  
6 *UTAH.—(1) The Secretary of the Interior may convey,*  
7 *without consideration, to Tooele County, Utah, all right,*  
8 *title, and interest of the United States in and to the lands*  
9 *at Wendover Air Force Base Auxiliary Field identified in*  
10 *Easement No. AFMC-HL-2-00-318 that are determined*  
11 *by the Secretary of the Air Force to be no longer required*  
12 *for Air Force purposes.*

13       (2) *The purpose of the conveyance under this sub-*  
14 *section is to permit the establishment and maintenance of*  
15 *runway protection zones and an aircraft accident potential*  
16 *protection zone as necessitated by continued military air-*  
17 *craft operations at the Utah Test and Training Range.*

18       (c) *PHASED CONVEYANCES.—The land conveyances*  
19 *authorized by subsections (a) and (b) may be conducted in*  
20 *phases. To the extent practicable, the first phase of the con-*  
21 *veyances should involve at least 3,000 acres.*

22       (d) *MANAGEMENT OF CONVEYED LANDS.—The lands*  
23 *conveyed under subsections (a) and (b) shall be managed*  
24 *by the City of West Wendover, Nevada, City of Wendover,*  
25 *Utah, Tooele County, Utah, and Elko County, Nevada—*



1           (1) *in accordance with the provisions of an*  
2       *Interlocal Memorandum of Agreement entered into be-*  
3       *tween the Cities of West Wendover, Nevada, and*  
4       *Wendover, Utah, Tooele County, Utah, and Elko*  
5       *County, Nevada, providing for the coordinated man-*  
6       *agement and development of the lands for the eco-*  
7       *nomie benefit of both communities; and*

8           (2) *in a manner that is consistent with such pro-*  
9       *visions of the easements referred to subsections (a)*  
10      *and (b) that, as jointly determined by the Secretary*  
11      *of the Air Force and Secretary of the Interior, remain*  
12      *applicable and relevant to the operation and manage-*  
13      *ment of the lands following conveyance and are con-*  
14      *sistent with the provisions of this section.*

15      (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
16      *retary of the Air Force and the Secretary of the Interior*  
17      *may jointly require such additional terms and conditions*  
18      *in connection with the conveyances required by subsections*  
19      *(a) and (b) as the Secretaries consider appropriate to pro-*  
20      *tect the interests of the United States.*

1                   ***Subtitle D—Other Matters***

2   ***SEC. 2861. EASEMENT FOR CONSTRUCTION OF ROADS OR***  
 3                   ***HIGHWAYS, MARINE CORPS BASE, CAMP PEN-***  
 4                   ***DLETON, CALIFORNIA.***

5           *Section 2851(a) of the Military Construction Author-*  
 6   *ization Act for Fiscal Year 1999 (division B of Public Law*  
 7   *105–261; 112 Stat. 2219), as amended by section 2867 of*  
 8   *the National Defense Authorization Act for Fiscal Year*  
 9   *2002 (Public Law 107–107; 115 Stat. 1334) is amended*  
 10   *in the first sentence by striking “easement to construct” and*  
 11   *all that follows through the period at the end and inserting*  
 12   *“easement to construct, operate, and maintain a restricted*  
 13   *access highway, notwithstanding any provision of State law*  
 14   *that would otherwise prevent the Secretary from granting*  
 15   *the easement or the Agency from constructing, operating,*  
 16   *or maintaining the restricted access highway.”.*

17   ***SEC. 2862. SALE OF EXCESS TREATED WATER AND WASTE-***  
 18                   ***WATER TREATMENT CAPACITY, MARINE***  
 19                   ***CORPS BASE, CAMP LEJEUNE, NORTH CARO-***  
 20                   ***LINA.***

21           *(a) SALE AUTHORIZED.—The Secretary of the Navy*  
 22   *may provide to Onslow County, North Carolina, or any au-*  
 23   *thority or political subdivision organized under the laws*  
 24   *of North Carolina to provide public water or sewage services*  
 25   *in Onslow County (in this section referred to as the “Coun-*

1 *ty’’), treated water and wastewater treatment services from*  
 2 *facilities at Marine Corps Base, Camp Lejeune, North Caro-*  
 3 *lina, if the Secretary determines that the provision of these*  
 4 *utility services is in the public interest and will not inter-*  
 5 *fere with current or future operations at Camp Lejeune.*

6 (b) *INAPPLICABILITY OF CERTAIN REQUIREMENTS.—*  
 7 *Section 2686 of title 10, United States Code, shall not apply*  
 8 *to the provision of public water or sewage services author-*  
 9 *ized by subsection (a).*

10 (c) *CONSIDERATION.—As consideration for the receipt*  
 11 *of public water or sewage services under subsection (a), the*  
 12 *County shall pay to the Secretary an amount (in cash or*  
 13 *in kind) equal to the fair market value of the services.*  
 14 *Amounts received in cash shall be credited to the base oper-*  
 15 *ation and maintenance accounts of Camp Lejeune.*

16 (d) *EXPANSION.—The Secretary may make minor ex-*  
 17 *pansions and extensions and permit connections to the pub-*  
 18 *lic water or sewage systems of the County in order to fur-*  
 19 *nish the services authorized under subsection (a). The Sec-*  
 20 *retary shall restrict the provision of services to the County*  
 21 *to those areas in the County where residential development*  
 22 *would be compatible with current and future operations at*  
 23 *Camp Lejeune.*

24 (e) *ADMINISTRATIVE EXPENSES.—The Secretary may*  
 25 *require the County to reimburse the Secretary for the costs*

1 *incurred by the Secretary to provide public water or sewage*  
 2 *services to the County under subsection (a).*

3 (2) *Section 2695(c) of title 10 United States Code,*  
 4 *shall apply to any amount received under this subsection.*

5 (f) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*  
 6 *retary may require such additional terms and conditions*  
 7 *in connection with the provision of public water or sewage*  
 8 *services under this section as the Secretary considers appro-*  
 9 *priate to protect the interests of the United States.*

10 **SEC. 2863. RATIFICATION OF AGREEMENT REGARDING**  
 11 **ADAK NAVAL COMPLEX, ALASKA, AND RE-**  
 12 **LATED LAND CONVEYANCES.**

13 (a) *RATIFICATION OF AGREEMENT.—The document*  
 14 *entitled the “Agreement Concerning the Conveyance of*  
 15 *Property at the Adak Naval Complex”, and dated Sep-*  
 16 *tember 20, 2000, executed by the Aleut Corporation, the De-*  
 17 *partment of the Interior, and the Department of the Navy,*  
 18 *together with any technical amendments or modifications*  
 19 *to the boundaries that may be agreed to by the parties, is*  
 20 *hereby ratified, confirmed, and approved and the terms,*  
 21 *conditions, procedures, covenants, reservations, indemnities*  
 22 *and other provisions set forth in the Agreement are declared*  
 23 *to be obligations and commitments of the United States as*  
 24 *a matter of Federal law. Modifications to the maps and*  
 25 *legal descriptions of lands to be removed from the National*

1 *Wildlife Refuge System within the military withdrawal on*  
 2 *Adak Island set forth in Public Land Order 1949 may be*  
 3 *made only upon agreement of all Parties to the Agreement*  
 4 *and notification given to the Committee on Resources of the*  
 5 *House of Representatives and the Committee on Energy and*  
 6 *Natural Resources of the Senate. The acreage conveyed to*  
 7 *the United States by the Aleut Corporation under the Agree-*  
 8 *ment, as modified, shall be at least 36,000 acres.*

9       (b) *REMOVAL OF LANDS FROM REFUGE.—Effective on*  
 10 *the date of conveyance to the Aleut Corporation of the Adak*  
 11 *Exchange Lands as described in the Agreement, all such*  
 12 *lands shall be removed from the National Wildlife Refuge*  
 13 *System and shall neither be considered as part of the Alaska*  
 14 *Maritime National Wildlife Refuge nor subject to any laws*  
 15 *pertaining to lands within the boundaries of the Alaska*  
 16 *Maritime National Wildlife Refuge. The conveyance restric-*  
 17 *tions imposed by section 22(g) of the Alaska Native Claims*  
 18 *Settlement Act (43 U.S.C. 1621(g)) for land in the National*  
 19 *Wildlife Refuge System shall not apply. The Secretary shall*  
 20 *adjust the boundaries of the Refuge so as to exclude all in-*  
 21 *terests in lands and land rights, surface and subsurface, re-*  
 22 *ceived by the Aleut Corporation in accordance with this sec-*  
 23 *tion and the Agreement.*

24       (c) *RELATION TO ALASKA NATIVE CLAIMS SETTLE-*  
 25 *MENT ACT.—Lands and interests therein exchanged and*

1 conveyed by the United States pursuant to this section shall  
2 be considered and treated as conveyances of lands or inter-  
3 ests therein under the Alaska Native Claims Settlement Act,  
4 except that receipt of such lands and interests therein shall  
5 not constitute a sale or disposition of land or interests re-  
6 ceived pursuant to such Act. The public easements for access  
7 to public lands and waters reserved pursuant to the Agree-  
8 ment are deemed to satisfy the requirements and purposes  
9 of section 17(b) of the Alaska Native Claims Settlement Act.

10 (d) *REACQUISITION AUTHORITY.*—The Secretary of the  
11 Interior is authorized to acquire by purchase or exchange,  
12 on a willing seller basis only, any land conveyed to the  
13 Aleut Corporation under the Agreement and this section.  
14 In the event any of the lands are subsequently acquired by  
15 the United States, they shall be automatically included in  
16 the National Wildlife Refuge System. The laws and regula-  
17 tions applicable to refuge lands shall then apply to these  
18 lands and the Secretary shall then adjust the boundaries  
19 accordingly.

20 (e) *CONVEYANCE OF NAVY PERSONAL PROPERTY.*—  
21 Notwithstanding any other provision of law, and for the  
22 purposes of the transfer of property authorized by this sec-  
23 tion, Department of Navy personal property that remains  
24 on Adak Island is deemed related to the real property and  
25 shall be conveyed by the Department of the Navy to the

1 *Aleut Corporation, at no additional cost, when the related*  
2 *real property is conveyed by the Department of the Interior.*

3 (f) *ADDITIONAL CONVEYANCE.—The Secretary of the*  
4 *Interior shall convey to the Aleut Corporation those lands*  
5 *identified in the Agreement as the former landfill sites with-*  
6 *out charge to the Aleut Corporation's entitlement under the*  
7 *Alaska Native Claims Settlement Act.*

8 (g) *VALUATION.—For purposes of section 21(c) of the*  
9 *Alaska Native Claims Settlement Act, the receipt of all*  
10 *property by the Aleut Corporation shall be entitled to a tax*  
11 *basis equal to fair value on date of transfer. Fair value shall*  
12 *be determined by replacement cost appraisal.*

13 (h) *CERTAIN PROPERTY TREATED AS NOT DEVEL-*  
14 *OPED.—Any property, including, but not limited to, appur-*  
15 *tenances and improvements, received pursuant to this sec-*  
16 *tion shall, for purposes of section 21(d) of the Alaska Native*  
17 *Claims Settlement Act and section 907(d) of the Alaska Na-*  
18 *tional Interest Lands Conservation Act be treated as not*  
19 *developed until such property is actually occupied, leased*  
20 *(other than leases for nominal consideration to public enti-*  
21 *ties) or sold by the Aleut Corporation, or, in the case of*  
22 *a lease or other transfer by the Aleut Corporation to a whol-*  
23 *ly owned development subsidiary, actually occupied, leased,*  
24 *or sold by the subsidiary.*

1       (i) *CERTAIN LANDS UNAVAILABLE FOR SELECTION.*—  
2   *Upon conveyance to the Aleut Corporation of the lands de-*  
3   *scribed in Appendix A of the Agreement, the lands described*  
4   *in Appendix C of the Agreement will become unavailable*  
5   *for selection under the Alaska Native Claims Settlement*  
6   *Act.*

7       (j) *MAPS.*—*The maps included as part of Appendix*  
8   *A to the Agreement depict the lands to be conveyed to the*  
9   *Aleut Corporation. The maps are on file at the Region 7*  
10   *Office of the United States Fish and Wildlife Service and*  
11   *the offices of the Alaska Maritime National Wildlife Refuge*  
12   *in Homer, Alaska. The written legal descriptions of the*  
13   *lands to be conveyed to the Aleut Corporation are also part*  
14   *of Appendix A. In case of discrepancies, the maps shall con-*  
15   *trol.*

16       (k) *DEFINITIONS.*—*In this section:*

17           (1) *The term “Agreement” means the agreement*  
18       *ratified, confirmed, and approved under subsection*

19       (i).

20           (2) *The term “Aleut Corporation” means the*  
21       *Alaskan Native Regional Corporation known as the*  
22       *Aleut Corporation incorporated in the State of Alaska*  
23       *pursuant to the Alaska Native Claims Settlement Act*  
24       *(43 U.S.C. 1601 et seq.).*



1 **SEC. 2864. SPECIAL REQUIREMENTS FOR ADDING MILITARY**  
2 **INSTALLATION TO CLOSURE LIST.**

3 *Section 2914(d) of the Defense Base Closure and Re-*  
4 *alignment Act of 1990 (part A of title XXIX of Public Law*  
5 *101–510; 10 U.S.C. 2687 note), as added by section 3003*  
6 *of the Military Construction Authorization Act for Fiscal*  
7 *Year 2002 (division B of Public Law 107–107; 155 Stat,*  
8 *1346), is amended—*

9 *(1) by redesignating paragraphs (4) and (5) as*  
10 *paragraphs (5) and (6), respectively; and*

11 *(2) by inserting after paragraph (3) the fol-*  
12 *lowing new paragraph (4):*

13 *“(4) LIMITATION ON AUTHORITY TO RECOMMEND*  
14 *ADDITIONAL INSTALLATION FOR CLOSURE.—Notwith-*  
15 *standing paragraph (3), the decision of the Commis-*  
16 *sion to add a military installation to the Secretary’s*  
17 *list of installations recommended for closure must be*  
18 *unanimous, and at least two members of the Commis-*  
19 *sion must have visited the installation during the pe-*  
20 *riod of the Commission’s review of the list.”.*

1 ***DIVISION C—DEPARTMENT OF***  
 2 ***ENERGY NATIONAL SECURITY***  
 3 ***AUTHORIZATIONS AND***  
 4 ***OTHER AUTHORIZATIONS***  
 5 ***TITLE XXXI—DEPARTMENT OF***  
 6 ***ENERGY NATIONAL SECURITY***  
 7 ***PROGRAMS***  
 8 ***Subtitle A—National Security***  
 9 ***Programs Authorizations***

10 ***SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-***  
 11 ***TION.***

12 *(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
 13 *hereby authorized to be appropriated to the Department of*  
 14 *Energy for fiscal year 2003 for the activities of the National*  
 15 *Nuclear Security Administration in carrying out programs*  
 16 *necessary for national security in the amount of*  
 17 *\$8,034,349,000, to be allocated as follows:*

18 *(1) For weapons activities, \$5,937,000,000.*

19 *(2) For defense nuclear nonproliferation activi-*  
 20 *ties, \$1,074,630,000.*

21 *(3) For naval reactors, \$706,790,000.*

22 *(4) For the Office of the Administrator for Nu-*  
 23 *clear Security, \$315,929,000.*

24 *(b) AUTHORIZATION OF NEW PLANT PROJECTS.—*  
 25 *From funds referred to in subsection (a) that are available*

1 *for carrying out plant projects, the Secretary may carry*  
2 *out new plant projects as follows:*

3 *(1) For weapons activities, the following new*  
4 *plant projects:*

5 *Project 03–D–101, Sandia underground re-*  
6 *actor facility (SURF), Sandia National Labora-*  
7 *tories, Albuquerque, New Mexico, \$2,000,000.*

8 *Project 03–D–103, project engineering and*  
9 *design, various locations, \$15,539,000.*

10 *Project 03–D–121, gas transfer capacity ex-*  
11 *pansion, Kansas City Plant, Kansas City, Mis-*  
12 *souri, \$4,000,000.*

13 *Project 03–D–122, prototype purification*  
14 *facility, Y–12 plant, Oak Ridge, Tennessee,*  
15 *\$20,800,000.*

16 *Project 03–D–123, special nuclear materials*  
17 *requalification, Pantex plant, Amarillo, Texas,*  
18 *\$3,000,000.*

19 *(2) For naval reactors, the following new plant*  
20 *project:*

21 *Project 03–D–201, cleanroom technology fa-*  
22 *cility, Bettis Atomic Power Laboratory, West*  
23 *Mifflin, Pennsylvania, \$7,200,000.*

1 **SEC. 3102. ENVIRONMENTAL AND OTHER DEFENSE ACTIVI-**  
2 **TIES.**

3 (a) *AUTHORIZATION OF APPROPRIATIONS.—Funds are*  
4 *hereby authorized to be appropriated to the Department of*  
5 *Energy for fiscal year 2003 for environmental restoration*  
6 *and waste management activities and other defense activi-*  
7 *ties in carrying out programs necessary for national secu-*  
8 *rity in the amount of \$7,366,510,000, to be allocated as fol-*  
9 *lows:*

10 (1) *For defense environmental restoration and*  
11 *waste management, \$4,544,133,000.*

12 (2) *For defense environmental management*  
13 *cleanup reform in carrying out environmental res-*  
14 *toration and waste management activities necessary*  
15 *for national security programs, \$800,000,000.*

16 (3) *For defense facilities closure projects,*  
17 *\$1,091,314,000.*

18 (4) *For defense environmental management pri-*  
19 *vatization, \$158,399,000.*

20 (5) *For other defense activities in carrying out*  
21 *programs necessary for national security,*  
22 *\$457,664,000.*

23 (6) *For defense nuclear waste disposal for pay-*  
24 *ment to the Nuclear Waste Fund established in sec-*  
25 *tion 302(c) of the Nuclear Waste Policy Act of 1982*  
26 *(42 U.S.C. 10222(c)), \$315,000,000.*

1       (b) *AUTHORIZATION OF NEW PLANT PROJECT.*—From  
 2 funds referred to in subsection (a) that are available for  
 3 carrying out plant projects, the Secretary may carry out,  
 4 for environmental restoration and waste management ac-  
 5 tivities, the following new plant project:

6               Project 03–D–403, immobilized high-level waste  
 7 interim storage facility, Richland, Washington,  
 8 \$6,363,000.

9       ***Subtitle B—Department of Energy***  
 10       ***National Security Authoriza-***  
 11       ***tions General Provisions***

12       ***SEC. 3120. SHORT TITLE; DEFINITIONS.***

13       (a) *SHORT TITLE.*—This subtitle may be cited as the  
 14 “Department of Energy National Security Authorizations  
 15 General Provisions Act”.

16       (b) *DEFINITIONS.*—In this subtitle:

17               (1) The term “DOE national security authoriza-  
 18 tion” means an authorization of appropriations for  
 19 activities of the Department of Energy in carrying  
 20 out programs necessary for national security.

21               (2) The term “congressional defense committees”  
 22 means—

23                       (A) the Committee on Armed Services and  
 24 the Committee on Appropriations of the Senate;  
 25 and

1                   (B) the Committee on Armed Services and  
 2                   the Committee on Appropriations of the House of  
 3                   Representatives.

4                   (3) The term “minor construction threshold”  
 5                   means \$5,000,000.

6 **SEC. 3121. REPROGRAMMING.**

7                   (a) *IN GENERAL.*—Except as provided in sections  
 8                   3129 and 3130, the Secretary of Energy may not use  
 9                   amounts appropriated pursuant to a DOE national secu-  
 10                  rity authorization for a program—

11                   (1) in amounts that exceed, in a fiscal year, the  
 12                   amount authorized for that program by that author-  
 13                   ization for that fiscal year; or

14                   (2) which has not been presented to, or requested  
 15                   of, Congress,

16                  until the Secretary submits to the congressional defense  
 17                  committees a report referred to in subsection (b) with re-  
 18                  spect to that program and a period of 30 days has elapsed  
 19                  after the date on which such committees receive the report.

20                   (b) *REPORT.*—The report referred to in subsection (a)  
 21                   is a report containing a full and complete statement of the  
 22                   action proposed to be taken and the facts and circumstances  
 23                   relied upon in support of the proposed action.

24                   (c) *COMPUTATION OF DAYS.*—In the computation of  
 25                   the 30-day period under subsection (a), there shall be ex-

1 *cluded any day on which either House of Congress is not*  
2 *in session because of an adjournment of more than three*  
3 *days to a day certain.*

4 *(d) LIMITATIONS.—*

5 *(1) TOTAL AMOUNT OBLIGATED.—In no event*  
6 *may the total amount of funds obligated pursuant to*  
7 *a DOE national security authorization for a fiscal*  
8 *year exceed the total amount authorized to be appro-*  
9 *priated by that authorization for that fiscal year.*

10 *(2) PROHIBITED ITEMS.—Funds appropriated*  
11 *pursuant to a DOE national security authorization*  
12 *may not be used for an item for which Congress has*  
13 *specifically denied funds.*

14 **SEC. 3122. MINOR CONSTRUCTION PROJECTS.**

15 *(a) AUTHORITY.—Using operation and maintenance*  
16 *funds or facilities and infrastructure funds authorized by*  
17 *a DOE national security authorization, the Secretary of*  
18 *Energy may carry out minor construction projects.*

19 *(b) ANNUAL REPORT.—The Secretary shall submit to*  
20 *the congressional defense committees on an annual basis a*  
21 *report on each exercise of the authority in subsection (a)*  
22 *during the preceding fiscal year. Each report shall provide*  
23 *a brief description of each minor construction project cov-*  
24 *ered by the report.*

1       (c) *COST VARIATION REPORTS TO CONGRESSIONAL*  
 2 *COMMITTEES.*—*If, at any time during the construction of*  
 3 *any minor construction project authorized by a DOE na-*  
 4 *tional security authorization, the estimated cost of the*  
 5 *project is revised and the revised cost of the project exceeds*  
 6 *the minor construction threshold, the Secretary shall imme-*  
 7 *diately submit to the congressional defense committees a re-*  
 8 *port explaining the reasons for the cost variation.*

9       (d) *MINOR CONSTRUCTION PROJECT DEFINED.*—*In*  
 10 *this section, the term “minor construction project” means*  
 11 *any plant project not specifically authorized by law for*  
 12 *which the approved total estimated cost does not exceed the*  
 13 *minor construction threshold.*

14 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

15       (a) *IN GENERAL.*—

16           (1) *CONSTRUCTION COST CEILING.*—*Except as*  
 17 *provided in paragraph (2), construction on a con-*  
 18 *struction project which is in support of national secu-*  
 19 *rity programs of the Department of Energy and was*  
 20 *authorized by a DOE national security authorization*  
 21 *may not be started, and additional obligations in*  
 22 *connection with the project above the total estimated*  
 23 *cost may not be incurred, whenever the current esti-*  
 24 *mated cost of the construction project exceeds by more*  
 25 *than 25 percent the higher of—*



1                   (A) the amount authorized for the project;

2                   or

3                   (B) the amount of the total estimated cost  
4                   for the project as shown in the most recent budg-  
5                   et justification data submitted to Congress.

6           (2)    EXCEPTION   WHERE   NOTICE-AND-WAIT  
7           GIVEN.—An action described in paragraph (1) may  
8           be taken if—

9                   (A) the Secretary of Energy has submitted  
10                  to the congressional defense committees a report  
11                  on the actions and the circumstances making  
12                  such action necessary; and

13                  (B) a period of 30 days has elapsed after  
14                  the date on which the report is received by the  
15                  committees.

16           (3) COMPUTATION OF DAYS.—In the computation  
17           of the 30-day period under paragraph (2), there shall  
18           be excluded any day on which either House of Con-  
19           gress is not in session because of an adjournment of  
20           more than three days to a day certain.

21           (b) EXCEPTION FOR MINOR PROJECTS.—Subsection  
22           (a) does not apply to a construction project with a current  
23           estimated cost of less than the minor construction threshold.

1 **SEC. 3124. FUND TRANSFER AUTHORITY.**

2       (a) *TRANSFER TO OTHER FEDERAL AGENCIES.*—The  
3 Secretary of Energy may transfer funds authorized to be  
4 appropriated to the Department of Energy pursuant to a  
5 DOE national security authorization to other Federal agen-  
6 cies for the performance of work for which the funds were  
7 authorized. Funds so transferred may be merged with and  
8 be available for the same purposes and for the same time  
9 period as the authorizations of the Federal agency to which  
10 the amounts are transferred.

11       (b) *TRANSFER WITHIN DEPARTMENT OF ENERGY.*—

12           (1) *TRANSFERS PERMITTED.*—Subject to para-  
13 graph (2), the Secretary of Energy may transfer  
14 funds authorized to be appropriated to the Depart-  
15 ment of Energy pursuant to a DOE national security  
16 authorization between any such authorizations.  
17 Amounts of authorizations so transferred may be  
18 merged with and be available for the same purposes  
19 and for the same period as the authorization to which  
20 the amounts are transferred.

21           (2) *MAXIMUM AMOUNTS.*—Not more than 5 per-  
22 cent of any such authorization may be transferred be-  
23 tween authorizations under paragraph (1). No such  
24 authorization may be increased or decreased by more  
25 than 5 percent by a transfer under such paragraph.

1       (c) *LIMITATIONS.*—*The authority provided by this sub-*  
 2 *section to transfer authorizations—*

3           (1) *may be used only to provide funds for items*  
 4 *relating to activities necessary for national security*  
 5 *programs that have a higher priority than the items*  
 6 *from which the funds are transferred; and*

7           (2) *may not be used to provide funds for an item*  
 8 *for which Congress has specifically denied funds.*

9       (d) *NOTICE TO CONGRESS.*—*The Secretary of Energy*  
 10 *shall promptly notify the Committee on Armed Services of*  
 11 *the Senate and the Committee on Armed Services of the*  
 12 *House of Representatives of any transfer of funds to or from*  
 13 *any DOE national security authorization.*

14 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**  
 15 **TION DESIGN.**

16       (a) *REQUIREMENT OF CONCEPTUAL DESIGN.*—

17           (1) *IN GENERAL.*—*Subject to paragraph (2) and*  
 18 *except as provided in paragraph (3), before submit-*  
 19 *ting to Congress a request for funds for a construction*  
 20 *project that is in support of a national security pro-*  
 21 *gram of the Department of Energy, the Secretary of*  
 22 *Energy shall complete a conceptual design for that*  
 23 *project.*

24           (2) *REQUESTS FOR CONCEPTUAL DESIGN*  
 25 *FUNDS.*—*If the estimated cost of completing a concep-*

1        *tual design for a construction project exceeds*  
2        *\$3,000,000, the Secretary shall submit to Congress a*  
3        *request for funds for the conceptual design before sub-*  
4        *mitting a request for funds for the construction*  
5        *project.*

6                (3) *EXCEPTIONS.—The requirement in para-*  
7        *graph (1) does not apply to a request for funds—*

8                        (A) *for a construction project the total esti-*  
9                        *mated cost of which is less than the minor con-*  
10                      *struction threshold; or*

11                      (B) *for emergency planning, design, and*  
12                      *construction activities under section 3126.*

13        (b) *AUTHORITY FOR CONSTRUCTION DESIGN.—*

14                (1) *IN GENERAL.—Within the amounts author-*  
15        *ized by a DOE national security authorization, the*  
16        *Secretary of Energy may carry out construction de-*  
17        *sign (including architectural and engineering serv-*  
18        *ices) in connection with any proposed construction*  
19        *project if the total estimated cost for such design does*  
20        *not exceed \$600,000.*

21                (2) *SPECIFIC AUTHORITY REQUIRED.—If the*  
22        *total estimated cost for construction design in connec-*  
23        *tion with any construction project exceeds \$600,000,*  
24        *funds for that design must be specifically authorized*  
25        *by law.*

1 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**  
2 **SIGN, AND CONSTRUCTION ACTIVITIES.**

3       (a) *AUTHORITY.*—The Secretary of Energy may use  
4 any funds available to the Department of Energy pursuant  
5 to a DOE national security authorization, including funds  
6 authorized to be appropriated for advance planning, engi-  
7 neering, and construction design, and for plant projects, to  
8 perform planning, design, and construction activities for  
9 any Department of Energy national security program con-  
10 struction project that, as determined by the Secretary, must  
11 proceed expeditiously in order to protect public health and  
12 safety, to meet the needs of national defense, or to protect  
13 property.

14       (b) *LIMITATION.*—The Secretary may not exercise the  
15 authority under subsection (a) in the case of a construction  
16 project until the Secretary has submitted to the congres-  
17 sional defense committees a report on the activities that the  
18 Secretary intends to carry out under this section and the  
19 circumstances making those activities necessary.

20       (c) *SPECIFIC AUTHORITY.*—The requirement of section  
21 3125(b)(2) does not apply to emergency planning, design,  
22 and construction activities conducted under this section.

1 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**  
2 **RITY PROGRAMS OF THE DEPARTMENT OF**  
3 **ENERGY.**

4 *Subject to the provisions of appropriation Acts and*  
5 *section 3121, amounts appropriated pursuant to a DOE*  
6 *national security authorization for management and sup-*  
7 *port activities and for general plant projects are available*  
8 *for use, when necessary, in connection with all national se-*  
9 *curity programs of the Department of Energy.*

10 **SEC. 3128. AVAILABILITY OF FUNDS.**

11 *(a) IN GENERAL.—Except as provided in subsection*  
12 *(b), amounts appropriated for operation and maintenance*  
13 *or for plant projects may, when so specified in an appro-*  
14 *priations Act, remain available until expended.*

15 *(b) EXCEPTION FOR NNSA FUNDS.—Amounts appro-*  
16 *priated for the National Nuclear Security Administration*  
17 *pursuant to a DOE national security authorization for a*  
18 *fiscal year shall remain available to be expended—*

19 *(1) only until the end of that fiscal year, in the*  
20 *case of amounts appropriated for the Office of the Ad-*  
21 *ministrator for Nuclear Security; and*

22 *(2) only in that fiscal year and the two suc-*  
23 *ceeding fiscal years, in all other cases.*

1 **SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MAN-**  
2 **AGEMENT FUNDS.**

3 (a) *TRANSFER AUTHORITY FOR DEFENSE ENVIRON-*  
4 *MENTAL MANAGEMENT FUNDS.*—*The Secretary of Energy*  
5 *shall provide the manager of each field office of the Depart-*  
6 *ment of Energy with the authority to transfer defense envi-*  
7 *ronmental management funds from a program or project*  
8 *under the jurisdiction of that office to another such program*  
9 *or project.*

10 (b) *LIMITATIONS.*—

11 (1) *NUMBER OF TRANSFERS.*—*Not more than*  
12 *one transfer may be made to or from any program*  
13 *or project under subsection (a) in a fiscal year.*

14 (2) *AMOUNTS TRANSFERRED.*—*The amount*  
15 *transferred to or from a program or project in any*  
16 *one transfer under subsection (a) may not exceed*  
17 *\$5,000,000.*

18 (3) *DETERMINATION REQUIRED.*—*A transfer*  
19 *may not be carried out by a manager of a field office*  
20 *under subsection (a) unless the manager determines*  
21 *that the transfer is necessary—*

22 (A) *to address a risk to health, safety, or the*  
23 *environment; or*

24 (B) *to assure the most efficient use of de-*  
25 *fense environmental management funds at the*  
26 *field office.*

1           (4) *IMPERMISSIBLE USES.*—*Funds transferred*  
2           *pursuant to subsection (a) may not be used for an*  
3           *item for which Congress has specifically denied funds*  
4           *or for a new program or project that has not been au-*  
5           *thorized by Congress.*

6           (c) *EXEMPTION FROM REPROGRAMMING REQUIRE-*  
7           *MENTS.*—*The requirements of section 3121 shall not apply*  
8           *to transfers of funds pursuant to subsection (a).*

9           (d) *NOTIFICATION.*—*The Secretary, acting through the*  
10          *Assistant Secretary of Energy for Environmental Manage-*  
11          *ment, shall notify Congress of any transfer of funds pursu-*  
12          *ant to subsection (a) not later than 30 days after such*  
13          *transfer occurs.*

14          (e) *DEFINITIONS.*—*In this section—*

15               (1) *the term “program or project” means, with*  
16               *respect to a field office of the Department of Energy,*  
17               *a program or project that is for environmental res-*  
18               *toration or waste management activities necessary for*  
19               *national security programs of the Department, that is*  
20               *being carried out by that office, and for which defense*  
21               *environmental management funds have been author-*  
22               *ized and appropriated; and*

23               (2) *the term “defense environmental management*  
24               *funds” means funds appropriated to the Department*  
25               *of Energy pursuant to an authorization for carrying*



1        *out environmental restoration and waste management*  
2        *activities necessary for national security programs.*

3    **SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.**

4        (a) *TRANSFER AUTHORITY FOR WEAPONS ACTIVITIES*  
5    *FUNDS.*—*The Secretary of Energy shall provide the man-*  
6    *ager of each field office of the Department of Energy with*  
7    *the authority to transfer weapons activities funds from a*  
8    *program or project under the jurisdiction of that office to*  
9    *another such program or project.*

10       (b) *LIMITATIONS.*—

11            (1) *NUMBER OF TRANSFERS.*—*Not more than*  
12        *one transfer may be made to or from any program*  
13        *or project under subsection (a) in a fiscal year.*

14            (2) *AMOUNTS TRANSFERRED.*—*The amount*  
15        *transferred to or from a program or project in any*  
16        *one transfer under subsection (a) may not exceed*  
17        *\$5,000,000.*

18            (3) *DETERMINATION REQUIRED.*—*A transfer*  
19        *may not be carried out by a manager of a field office*  
20        *under subsection (a) unless the manager determines*  
21        *that the transfer—*

22                    (A) *is necessary to address a risk to health,*  
23                    *safety, or the environment; or*

24                    (B) *will result in cost savings and effi-*  
25                    *ciencies.*

1           (4) *LIMITATION.*—A transfer may not be carried  
2           out by a manager of a field office under subsection (a)  
3           to cover a cost overrun or scheduling delay for any  
4           program or project.

5           (5) *IMPERMISSIBLE USES.*—Funds transferred  
6           pursuant to subsection (a) may not be used for an  
7           item for which Congress has specifically denied funds  
8           or for a new program or project that has not been au-  
9           thorized by Congress.

10          (c) *EXEMPTION FROM REPROGRAMMING REQUIRE-*  
11 *MENTS.*—The requirements of section 3121 shall not apply  
12 to transfers of funds pursuant to subsection (a).

13          (d) *NOTIFICATION.*—The Secretary, acting through the  
14 Administrator for Nuclear Security, shall notify Congress  
15 of any transfer of funds pursuant to subsection (a) not later  
16 than 30 days after such transfer occurs.

17          (e) *DEFINITIONS.*—In this section—

18               (1) the term “program or project” means, with  
19               respect to a field office of the Department of Energy,  
20               a program or project that is for weapons activities  
21               necessary for national security programs of the De-  
22               partment, that is being carried out by that office, and  
23               for which weapons activities funds have been author-  
24               ized and appropriated; and

1           (2) *the term “weapons activities funds” means*  
 2           *funds appropriated to the Department of Energy pur-*  
 3           *suant to an authorization for carrying out weapons*  
 4           *activities necessary for national security programs.*

5   **SEC. 3131. SCOPE OF AUTHORITY TO CARRY OUT PLANT**  
 6                           **PROJECTS.**

7           *In carrying out programs necessary for national secu-*  
 8           *rity, the authority of the Secretary of Energy to carry out*  
 9           *plant projects includes authority for maintenance, restora-*  
 10          *tion, planning, construction, acquisition, modification of*  
 11          *facilities, and the continuation of projects authorized in*  
 12          *prior years, and land acquisition related thereto.*

13   **Subtitle C—Program Authoriza-**  
 14          **tions, Restrictions, and Limita-**  
 15          **tions**

16   **SEC. 3141. ONE-YEAR EXTENSION OF PANEL TO ASSESS THE**  
 17                           **RELIABILITY, SAFETY, AND SECURITY OF THE**  
 18                           **UNITED STATES NUCLEAR STOCKPILE.**

19          *Section 3159 of the Strom Thurmond National Defense*  
 20          *Authorization Act for Fiscal Year 1999 (42 U.S.C. 2121*  
 21          *note) is amended—*

22               (1) *in subsection (d), by striking “February 1,*  
 23               *2002,” and inserting “February 1 of 2002 and*  
 24               *2003,”; and*

1           (2) *in subsection (g), by striking “three years”*  
 2           *and all that follows through the period at the end and*  
 3           *inserting “April 1, 2003.”.*

4 **SEC. 3142. TRANSFER TO NATIONAL NUCLEAR SECURITY**  
 5                   **ADMINISTRATION OF DEPARTMENT OF DE-**  
 6                   **FENSE’S COOPERATIVE THREAT REDUCTION**  
 7                   **PROGRAM RELATING TO ELIMINATION OF**  
 8                   **WEAPONS GRADE PLUTONIUM IN RUSSIA.**

9           (a) *TRANSFER OF PROGRAM.*—*There are hereby trans-*  
 10          *ferred to the Administrator for Nuclear Security the fol-*  
 11          *lowing:*

12           (1) *The program, within the Cooperative Threat*  
 13          *Reduction program of the Department of Defense, re-*  
 14          *lating to the elimination of weapons grade plutonium*  
 15          *in Russia.*

16           (2) *All functions, powers, duties, and activities*  
 17          *of that program performed before the date of the en-*  
 18          *actment of this Act by the Department of Defense.*

19           (b) *TRANSFER OF ASSETS.*—(1) *So much of the prop-*  
 20          *erty, records, and unexpended balances of appropriations,*  
 21          *allocations, and other funds employed, used, held, available,*  
 22          *or to be made available in connection with the program*  
 23          *transferred by subsection (a) are transferred to the Admin-*  
 24          *istrator for use in connection with the program transferred.*

25           (2) *Funds so transferred—*

1           (A) shall be credited to the appropriation ac-  
 2           count of the Department of Energy for the activities  
 3           of the National Nuclear Security Administration in  
 4           carrying out defense nuclear nonproliferation activi-  
 5           ties; and

6           (B) remain subject to such limitations as applied  
 7           to such funds before such transfer.

8           (c) *REFERENCES*.—Any reference in any other Federal  
 9           law to the Secretary of Defense (or an officer of the Depart-  
 10          ment of Defense) or the Department of Defense shall, to the  
 11          extent such reference pertains to a function transferred by  
 12          this section, be deemed to refer to the Administrator for Nu-  
 13          clear Security or the National Nuclear Security Adminis-  
 14          tration, as applicable.

15   **SEC. 3143. REPEAL OF REQUIREMENT FOR REPORTS ON OB-**  
 16                           **LIGATION OF FUNDS FOR PROGRAMS ON**  
 17                           **FISSILE MATERIALS IN RUSSIA.**

18          Section 3131 of the National Defense Authorization  
 19          Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.  
 20          617; 22 U.S.C. 5952 note) is amended—

21               (1) in subsection (a), by striking “(a) *AUTHOR-*  
 22               *ITY*.—”; and

23               (2) by striking subsection (b).

1 **SEC. 3144. ANNUAL CERTIFICATION TO THE PRESIDENT**  
 2 **AND CONGRESS ON THE CONDITION OF THE**  
 3 **UNITED STATES NUCLEAR WEAPONS STOCK-**  
 4 **PILE.**

5 (a) *CERTIFICATION REQUIRED.*—(1) *Not later than*  
 6 *January 15 of each year, each official specified in sub-*  
 7 *section (b)(1) shall submit to the Secretary concerned a cer-*  
 8 *tification regarding the safety, reliability, and performance*  
 9 *of each nuclear weapon type in the active stockpile of the*  
 10 *United States for which such official is responsible.*

11 (2) *Not later than February 1 of each year, the Sec-*  
 12 *retary of Defense and the Secretary of Energy shall each*  
 13 *submit to the President and the Congress—*

14 (A) *each certification, without change, submitted*  
 15 *under paragraph (1) to that Secretary;*

16 (B) *each report, without change, submitted under*  
 17 *subsection (d) to that Secretary;*

18 (C) *the comments of that Secretary with respect*  
 19 *to each such certification and each such report; and*

20 (D) *any other information that the Secretary*  
 21 *considers appropriate.*

22 (b) *COVERED OFFICIALS AND SECRETARIES.*—(1) *The*  
 23 *officials referred to in subsection (a) are the following:*

24 (A) *The head of each national security labora-*  
 25 *tory, as defined in section 3281 of the National Nu-*  
 26 *clear Security Administration Act (50 U.S.C. 2471).*

1           (B) *The commander of the United States Stra-*  
2           *tegic Command.*

3           (2) *In this section, the term “Secretary concerned”*  
4           *means—*

5           (A) *the Secretary of Energy, with respect to mat-*  
6           *ters concerning the Department of Energy; and*

7           (B) *the Secretary of Defense, with respect to*  
8           *matters concerning the Department of Defense.*

9           (c) *USE OF “RED TEAMS” FOR LABORATORY CERTIFI-*  
10          *CATIONS.—The head of each national security laboratory*  
11          *shall, to assist in the certification process required by sub-*  
12          *section (a), establish one or more teams of experts known*  
13          *as “red teams”. Each such team shall—*

14               (1) *subject to challenge the matters covered by*  
15               *that laboratory’s certification, and submit the results*  
16               *of such challenge, together with findings and rec-*  
17               *ommendations, to the head of that laboratory; and*

18               (2) *carry out peer review of the certifications*  
19               *carried out by the other laboratories, and submit the*  
20               *results of such peer review to the head of the labora-*  
21               *tory concerned.*

22          (d) *REPORT ACCOMPANYING CERTIFICATION.—Each*  
23          *official specified in subsection (b)(1) shall submit with each*  
24          *such certification a report on the stockpile stewardship and*

1 management program of the Department of Energy. The  
2 report shall include the following:

3 (1) An assessment of the adequacy of the science-  
4 based tools and methods being used to determine the  
5 matters covered by the certification.

6 (2) An assessment of the capability of the manu-  
7 facturing infrastructure required by section 3137 of  
8 the National Defense Authorization Act for Fiscal  
9 Year 1996 (42 U.S.C. 2121 note) to identify and fix  
10 any inadequacy with respect to the matters covered by  
11 the certification.

12 (3) An assessment of the need of the United  
13 States to resume testing of nuclear weapons and the  
14 readiness of the United States to resume such testing,  
15 together with an identification of the specific tests the  
16 conduct of which might have value and the antici-  
17 pated value of conducting such tests.

18 (4) An identification and discussion of any other  
19 matter that adversely affects the ability to accurately  
20 determine the matters covered by the certification.

21 (5) In the case of a report submitted by the head  
22 of a national security laboratory, the findings and  
23 recommendations submitted by the “red teams” under  
24 subsection (c) that relate to such certification, and a  
25 discussion of those findings and recommendations.



1           (6) *In the case of a report submitted by the head*  
 2           *of a national security laboratory, a discussion of the*  
 3           *relative merits of other weapon types that could ac-*  
 4           *complish the mission of the weapon type covered by*  
 5           *such certification.*

6           (e) *CLASSIFIED FORM.*—*Each submission required by*  
 7           *this section shall be made only in classified form.*

8   **SEC. 3145. PLAN FOR ACHIEVING ONE-YEAR READINESS**  
 9                           **POSTURE FOR RESUMPTION BY THE UNITED**  
 10                           **STATES OF UNDERGROUND NUCLEAR WEAP-**  
 11                           **ONS TESTS.**

12          (a) *PLAN REQUIRED.*—*The Secretary of Energy, in*  
 13          *consultation with the Administrator for Nuclear Security,*  
 14          *shall prepare a plan for achieving, not later than one year*  
 15          *after the date on which the plan is submitted under sub-*  
 16          *section (c), a one-year readiness posture for resumption by*  
 17          *the United States of underground nuclear weapons tests.*

18          (b) *DEFINITION.*—*For purposes of this section, a one-*  
 19          *year readiness posture for resumption by the United States*  
 20          *of underground nuclear weapons tests is achieved when the*  
 21          *Department of Energy has the capability to resume such*  
 22          *tests, if directed by the President to resume such tests, not*  
 23          *later than one year after the date on which the President*  
 24          *so directs.*

1       (c) *REPORT.*—*The Secretary shall include with the*  
2 *budget justification materials submitted to Congress in sup-*  
3 *port of the Department of Energy budget for fiscal year*  
4 *2004 (as submitted with the budget of the President under*  
5 *section 1105(a) of title 31, United States Code) a report*  
6 *on the plan required by subsection (a). The report shall in-*  
7 *clude the plan and a budget for implementing the plan.*

8       **SEC. 3146. PROHIBITION ON DEVELOPMENT OF LOW-YIELD**  
9                               **NUCLEAR WEAPONS.**

10       (a) *UNITED STATES POLICY.*—*It shall be the policy*  
11 *of the United States not to conduct development which could*  
12 *lead to the production by the United States of a new low-*  
13 *yield nuclear weapon, including a precision low-yield war-*  
14 *head.*

15       (b) *LIMITATION.*—*The Secretary of Energy may not*  
16 *conduct, or provide for the conduct of, development which*  
17 *could lead to the production by the United States of a low-*  
18 *yield nuclear weapon which, as of the date of the enactment*  
19 *of this Act, has not entered production.*

20       (c) *EFFECT ON OTHER DEVELOPMENT.*—*Nothing in*  
21 *this section shall prohibit the Secretary of Energy from con-*  
22 *ducting, or providing for the conduct of, development*  
23 *necessary—*

24               (1) *to design a testing device that has a yield of*  
25       *less than five kilotons;*

1           (2) *to modify an existing weapon for the purpose*  
 2           *of addressing safety and reliability concerns; or*

3           (3) *to address proliferation concerns.*

4           (d) *DEFINITIONS.—In this section—*

5           (1) *the term “low-yield nuclear weapon” means*  
 6           *a nuclear weapon that has a yield of less than five*  
 7           *kilotons; and*

8           (2) *the term “development” does not include con-*  
 9           *cept definition studies, feasibility studies, or detailed*  
 10          *engineering design work.*

11          (e) *CONFORMING REPEAL.—Section 3136 of the Na-*  
 12          *tional Defense Authorization Act for Fiscal Year 1994 (42*  
 13          *U.S.C. 2121 note) is repealed.*

14          ***Subtitle D—Matters Relating to De-***  
 15          ***fense Environmental Manage-***  
 16          ***ment***

17          ***SEC. 3151. DEFENSE ENVIRONMENTAL MANAGEMENT***  
 18          ***CLEANUP REFORM PROGRAM.***

19          (a) *PROGRAM REQUIRED.—From funds made avail-*  
 20          *able pursuant to section 3102(a)(2) for defense environ-*  
 21          *mental management cleanup reform, the Secretary of En-*  
 22          *ergy shall carry out a program to reform DOE environ-*  
 23          *mental management activities. In carrying out the pro-*  
 24          *gram, the Secretary shall allocate, to each site for which*  
 25          *the Secretary has submitted to the congressional defense*

1 committees a site performance management plan, the  
2 amount of those funds that such plan requires.

3 (b) *TRANSFER AND MERGER OF FUNDS.*—Funds so al-  
4 located shall, notwithstanding section 3124, be transferred  
5 to the account for DOE environmental management activi-  
6 ties and, subject to subsection (c), shall be merged with and  
7 be available for the same purposes and for the same period  
8 as the funds available in such account. The authority pro-  
9 vided by section 3129 shall apply to funds so transferred.

10 (c) *LIMITATION ON USE OF ALL MERGED FUNDS.*—  
11 Upon a transfer and merger of funds under subsection (b),  
12 all funds in the merged account that are available with re-  
13 spect to the site may be used only to carry out the site per-  
14 formance management plan for such site.

15 (d) *SITE PERFORMANCE MANAGEMENT PLAN DE-*  
16 *FINED.*—For purposes of this section, a site performance  
17 management plan for a site is a plan, agreed to by the ap-  
18 plicable Federal and State agencies with regulatory juris-  
19 diction with respect to the site, for the performance of ac-  
20 tivities to accelerate the reduction of environmental risk in  
21 connection with, and to accelerate the environmental clean-  
22 up of, the site.

23 (e) *DOE ENVIRONMENTAL MANAGEMENT ACTIVITIES*  
24 *DEFINED.*—For purposes of this section, the term “DOE en-  
25 vironmental management activities” means environmental

1 *restoration and waste management activities of the Depart-*  
 2 *ment of Energy in carrying out programs necessary for na-*  
 3 *tional security.*

4 **SEC. 3152. REPORT ON STATUS OF ENVIRONMENTAL MAN-**  
 5 **AGEMENT INITIATIVES TO ACCELERATE THE**  
 6 **REDUCTION OF ENVIRONMENTAL RISKS AND**  
 7 **CHALLENGES POSED BY THE LEGACY OF THE**  
 8 **COLD WAR.**

9 (a) *REPORT REQUIRED.*—*The Secretary of Energy*  
 10 *shall prepare a report on the status of those environmental*  
 11 *management initiatives specified in subsection (b) that are*  
 12 *being undertaken to accelerate the reduction of the environ-*  
 13 *mental risks and challenges that, as a result of the legacy*  
 14 *of the Cold War, are faced by the Department of Energy,*  
 15 *contractors of the Department, and applicable Federal and*  
 16 *State agencies with regulatory jurisdiction.*

17 (b) *CONTENTS.*—*The report shall include the following*  
 18 *matters:*

19 (1) *A discussion of the progress made in reduc-*  
 20 *ing such risks and challenges in each of the following*  
 21 *areas:*

22 (A) *Acquisition strategy and contract man-*  
 23 *agement.*

24 (B) *Regulatory agreements.*

1           (C) *Interim storage and final disposal of*  
2           *high-level waste, spent nuclear fuel, transuranic*  
3           *waste, and low-level waste.*

4           (D) *Closure and transfer of environmental*  
5           *remediation sites.*

6           (E) *Achievements in innovation by contrac-*  
7           *tors of the Department with respect to acceler-*  
8           *ated risk reduction and cleanup.*

9           (F) *Consolidation of special nuclear mate-*  
10          *rials and improvements in safeguards and secu-*  
11          *rity.*

12          (2) *An assessment of the progress made in*  
13          *streamlining risk reduction processes of the environ-*  
14          *mental management program of the Department.*

15          (3) *An assessment of the progress made in im-*  
16          *proving the responsiveness and effectiveness of the en-*  
17          *vironmental management program of the Department.*

18          (4) *Any proposals for legislation that the Sec-*  
19          *retary considers necessary to carry out such initia-*  
20          *tives, including the justification for each such pro-*  
21          *posal.*

22          (c) *INITIATIVES COVERED.—The environmental man-*  
23          *agement initiatives referred to in subsection (a) are the ini-*  
24          *tatives arising out of the report titled “Top-to-Bottom Re-*  
25          *view of the Environmental Management Program” and*

1 *dated February 4, 2002, with respect to the environmental*  
 2 *restoration and waste management activities of the Depart-*  
 3 *ment of Energy in carrying out programs necessary for na-*  
 4 *tional security.*

5 *(d) SUBMISSION OF REPORT.—On the date on which*  
 6 *the budget justification materials in support of the Depart-*  
 7 *ment of Energy budget for fiscal year 2004 (as submitted*  
 8 *with the budget of the President under section 1105(a) of*  
 9 *title 31, United States Code) are submitted to Congress, the*  
 10 *Secretary shall submit to the congressional defense commit-*  
 11 *tees the report required by subsection (a).*

12 **TITLE XXXII—DEFENSE NU-**  
 13 **CLEAR FACILITIES SAFETY**  
 14 **BOARD**

15 **SEC. 3201. AUTHORIZATION.**

16 *There are authorized to be appropriated for fiscal year*  
 17 *2003, \$19,000,000 for the operation of the Defense Nuclear*  
 18 *Facilities Safety Board under chapter 21 of the Atomic En-*  
 19 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

20 **TITLE XXXIII—NATIONAL**  
 21 **DEFENSE STOCKPILE**

22 **SEC. 3301. AUTHORIZED USES OF NATIONAL DEFENSE**  
 23 **STOCKPILE FUNDS.**

24 *(a) OBLIGATION OF STOCKPILE FUNDS.—During fis-*  
 25 *cal year 2003, the National Defense Stockpile Manager may*

1 obligate up to \$76,400,000 of the funds in the National De-  
 2 fense Stockpile Transaction Fund established under sub-  
 3 section (a) of section 9 of the Strategic and Critical Mate-  
 4 rials Stock Piling Act (50 U.S.C. 98h) for the authorized  
 5 uses of such funds under subsection (b)(2) of such section,  
 6 including the disposal of hazardous materials that are envi-  
 7 ronmentally sensitive.

8 (b) *ADDITIONAL OBLIGATIONS.*—*The National Defense*  
 9 *Stockpile Manager may obligate amounts in excess of the*  
 10 *amount specified in subsection (a) if the National Defense*  
 11 *Stockpile Manager notifies Congress that extraordinary or*  
 12 *emergency conditions necessitate the additional obligations.*  
 13 *The National Defense Stockpile Manager may make the ad-*  
 14 *ditional obligations described in the notification after the*  
 15 *end of the 45-day period beginning on the date on which*  
 16 *Congress receives the notification.*

17 (c) *LIMITATIONS.*—*The authorities provided by this*  
 18 *section shall be subject to such limitations as may be pro-*  
 19 *vided in appropriations Acts.*

## 20 ***TITLE XXXIV—NAVAL*** 21 ***PETROLEUM RESERVES***

### 22 ***SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.***

23 (a) *AMOUNT.*—*There are hereby authorized to be ap-*  
 24 *propriated to the Secretary of Energy \$21,069,000 for fiscal*  
 25 *year 2003 for the purpose of carrying out activities under*



1 *chapter 641 of title 10, United States Code, relating to the*  
 2 *naval petroleum reserves.*

3 *(b) PERIOD OF AVAILABILITY.—Funds appropriated*  
 4 *pursuant to the authorization of appropriations in sub-*  
 5 *section (a) shall remain available until expended.*

## 6 ***TITLE XXXV—MARITIME*** 7 ***ADMINISTRATION***

8 ***SEC. 3501. AUTHORIZATION OF APPROPRIATIONS FOR FIS-***  
 9 ***CAL YEAR 2003.***

10 *Funds are hereby authorized to be appropriated for fis-*  
 11 *cal year 2003, to be available without fiscal year limitation*  
 12 *if so provided in appropriations Acts, for the use of the De-*  
 13 *partment of Transportation for the Maritime Administra-*  
 14 *tion as follows:*

15 *(1) For expenses necessary for operations and*  
 16 *training activities, \$93,132,000.*

17 *(2) For expenses under the loan guarantee pro-*  
 18 *gram authorized by title XI of the Merchant Marine*  
 19 *Act, 1936 (46 App. U.S.C. 1271 et seq.), \$54,126,000,*  
 20 *of which—*

21 *(A) \$50,000,000 is for the cost (as defined*  
 22 *in section 502(5) of the Federal Credit Reform*  
 23 *Act of 1990 (2 U.S.C. 661a(5))) of loan guaran-*  
 24 *tees under the program; and*

1                   (B) \$4,126,000 is for administrative ex-  
 2                   penses related to loan guarantee commitments  
 3                   under the program.

4                   (3) For expenses to dispose of obsolete vessels in  
 5                   the National Defense Reserve Fleet, including provi-  
 6                   sion of assistance under section 7 of Public Law 92–  
 7                   402 (as amended by this title), \$20,000,000.

8 **SEC. 3502. AUTHORITY TO CONVEY VESSEL USS SPHINX**  
 9                   **(ARL–24).**

10                  (a) *IN GENERAL.*—Notwithstanding any other law, the  
 11                  Secretary of Transportation may convey the right, title,  
 12                  and interest of the United States Government in and to the  
 13                  vessel USS SPHINX (ARL–24), to the Dunkirk Historical  
 14                  Lighthouse and Veterans Park Museum (a not-for-profit  
 15                  corporation, in this section referred to as the “recipient”)  
 16                  for use as a military museum, if—

17                   (1) the recipient agrees to use the vessel as a  
 18                   nonprofit military museum;

19                   (2) the vessel is not used for commercial trans-  
 20                   portation purposes;

21                   (3) the recipient agrees to make the vessel avail-  
 22                   able to the Government when the Secretary requires  
 23                   use of the vessel by the Government;

1           (4) *the recipient agrees that when the recipient*  
2           *no longer requires the vessel for use as a military*  
3           *museum—*

4                   (A) *the recipient will, at the discretion of*  
5                   *the Secretary, reconvey the vessel to the Govern-*  
6                   *ment in good condition except for ordinary wear*  
7                   *and tear; or*

8                   (B) *if the Board of Trustees of the recipient*  
9                   *has decided to dissolve the recipient according to*  
10                  *the laws of the State of New York, then—*

11                          (i) *the recipient shall distribute the*  
12                          *vessel, as an asset of the recipient, to a per-*  
13                          *son that has been determined exempt from*  
14                          *taxation under the provisions of section*  
15                          *501(c)(3) of the Internal Revenue Code, or*  
16                          *to the Federal Government or a State or*  
17                          *local government for a public purpose; and*

18                          (ii) *the vessel shall be disposed of by a*  
19                          *court of competent jurisdiction of the county*  
20                          *in which the principal office of the recipient*  
21                          *is located, for such purposes as the court*  
22                          *shall determine, or to such organizations as*  
23                          *the court shall determine are organized ex-*  
24                          *clusively for public purposes;*

1           (5) *the recipient agrees to hold the Government*  
2           *harmless for any claims arising from exposure to as-*  
3           *bestos after conveyance of the vessel, except for claims*  
4           *arising from use by the Government under paragraph*  
5           *(3) or (4); and*

6           (6) *the recipient has available, for use to restore*  
7           *the vessel, in the form of cash, liquid assets, or a writ-*  
8           *ten loan commitment, financial resources of at least*  
9           *\$100,000.*

10          (b) *DELIVERY OF VESSEL.—If a conveyance is made*  
11          *under this Act, the Secretary shall deliver the vessel at the*  
12          *place where the vessel is located on the date of enactment*  
13          *of this Act, in its present condition, without cost to the Gov-*  
14          *ernment.*

15          (c) *OTHER UNNEEDED EQUIPMENT.—The Secretary*  
16          *may also convey any unneeded equipment from other vessels*  
17          *in the National Defense Reserve Fleet in order to restore*  
18          *the USS SPHINX (ARL-24) to museum quality.*

19          (d) *RETENTION OF VESSEL IN NDRF.—The Secretary*  
20          *shall retain in the National Defense Reserve Fleet the vessel*  
21          *authorized to be conveyed under subsection (a), until the*  
22          *earlier of—*

23                 (1) *2 years after the date of the enactment of this*  
24          *Act; or*

1           (2) *the date of conveyance of the vessel under*  
 2           *subsection (a).*

3   **SEC. 3503. FINANCIAL ASSISTANCE TO STATES FOR PREPA-**  
 4                   **RATION OF TRANSFERRED OBSOLETE SHIPS**  
 5                   **FOR USE AS ARTIFICIAL REEFS.**

6           (a) *IN GENERAL.*—Public Law 92–402 (16 U.S.C.  
 7   1220 *et seq.*) is amended by redesignating section 7 as sec-  
 8   tion 8, and by inserting after section 6 the following:

9   **“SEC. 7. FINANCIAL ASSISTANCE TO STATE TO PREPARE**  
 10                   **TRANSFERRED SHIP.**

11           “(a) *ASSISTANCE AUTHORIZED.*—The Secretary, sub-  
 12   ject to the availability of appropriations, may provide, to  
 13   any State to which an obsolete ship is transferred under  
 14   this Act, financial assistance to prepare the ship for use  
 15   as an artificial reef, including for—

16                   “(1) *environmental remediation;*

17                   “(2) *towing; and*

18                   “(3) *sinking.*

19           “(b) *AMOUNT OF ASSISTANCE.*—The Secretary shall  
 20   determine the amount of assistance under this section with  
 21   respect to an obsolete ship based on—

22                   “(1) *the total amount available for providing as-*  
 23                   *sistance under this section;*

24                   “(2) *the benefit achieved by providing assistance*  
 25                   *for that ship; and*

6           “(1) shall require a State seeking assistance  
7           under this section to provide cost data and other in-  
8           formation determined by the Secretary to be necessary  
9           to justify and document the assistance; and

(b) *CONFORMING AMENDMENT.*—Section 4(4) of such Act (16 U.S.C. 1220a(4)) is amended by inserting “(except for any financial assistance provided under section 7)” after “at no cost to the Government”.

20        *Section 1104A of the Merchant Marine Act, 1936 (46*  
21 *App. U.S.C. 1274) is amended—*

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1       “(4) *The Secretary may obtain independent analysis*  
2 *of an application for a guarantee or commitment to guar-*  
3 *antee under this title.*”; and

4               (2) *in subsection (f) by inserting “(including for*  
5 *obtaining independent analysis under subsection*  
6 *(d)(4))” after “applications for a guarantee”.*

*Attest:*

*Clerk.*





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2D SESSION

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**HOUSE AMENDMENT TO  
SENATE AMENDMENT**